SIXTY-FOURTH *Annual Report*

FOR YEAR ENDING DECEMBER 31, 1958

Central of Georgia Railway Company

1958

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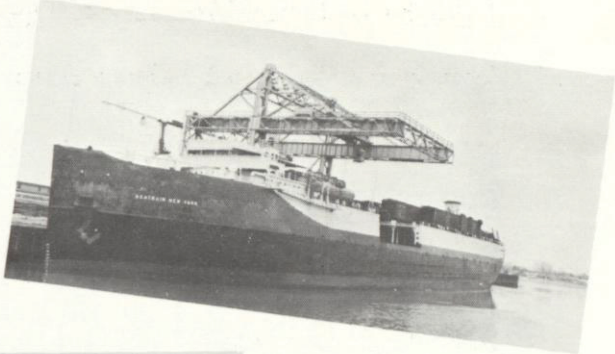
ANNUAL REPORT

to the Stockholders
for the Year Ended December 31, 1958



Co-ordinated Rail-Sea-Highway Service

"The Right Way"

Central of Georgia Railway Company

General Offices – Savannah, Georgia

Central of Georgia Railway Company

Savannah, Georgia

Glossary of Terms

A Shareowner reading this Annual Report may find the following definitions of various accounting concepts and railroad terms helpful in achieving a better understanding of his property.

CURRENT ASSETS: Cash and those assets which are readily convertible into cash or held for current use in operations, current claims against others, and amounts accruing to the carrier which are subject to current settlement.

CURRENT LIABILITIES: Amounts payable within a comparatively brief period, usually not exceeding one year from the date of the balance sheet.

NET CURRENT ASSETS: Excess of current assets over current liabilities.

OPERATING REVENUES: Money received from transportation and from operations incident thereto.

OPERATING EXPENSES: Expenses of furnishing transportation service, including the expense of maintenance and depreciation.

OPERATING RATIO: Relationship of railway operating expenses to railway operating revenues.

TAXES: Accrual of taxes of all kinds relating to railway property, such as taxes for real and personal property, special franchise, gross earnings, capital stock, States and Federal income, unemployment insurance, railroad retirement, sales and sundry other taxes.

FIXED CHARGES: Rent for leased roads and equipment, interest on funded and unfunded debt, and amortization of discount on funded debt.

CONTINGENT INTEREST: Interest on Income Bonds payable when earned and upon declaration by the Board of Directors.

NET REVENUE FROM RAILWAY OPERATIONS: The remainder of railway operating revenues after deduction of operating expenses including maintenance and depreciation.

NET RAILWAY OPERATING INCOME: The amount left from railway operating revenues after all expenses, including taxes, and equipment and joint facility rents have been deducted.

NET INCOME: Final net earnings available for corporate purposes.

GROSS TON-MILE: The transportation of one ton of gross weight of train equipment and contents one mile.

TON MILE: The transportation of one ton of freight one mile.

REVENUE TON-MILE: The movement of a ton of revenue freight a distance of one mile.

PASSENGER MILE: The transportation of one passenger one mile.

REVENUE PASSENGER MILE: The movement of a revenue passenger a distance of one mile.

REVENUE FREIGHT TONS: Tons of revenue freight handled upon the basis of tariff rates.

PER DIEM: Amount paid by one railroad to another railroad for the use of its freight car for one day.

L.C.L.: Less than car load.

INVESTMENT ACQUISITION ADJUSTMENT: The difference between the value assigned to the assets acquired and liabilities assumed at date the railway was reorganized.

LOCOMOTIVE MILEAGE (REVENUE): Miles run by locomotives in the transportation of revenue passengers and freight.

TRAIN MILEAGE (REVENUE): Miles run by all trains between terminals or stations for the transportation of revenue freight and passengers.

CAR MILEAGE (REVENUE): Miles run by freight and passenger train cars in transportation service, includes loaded, empty and caboose cars.

AFFILIATED COMPANIES: Companies solely controlled by the accounting company or jointly controlled by the accounting company and others under a joint agreement.

JOINT FACILITIES: Operation of joint tracks, yards, terminal and other facilities with one or more corporations.

UNADJUSTED DEBITS AND CREDITS: Amounts in suspense that cannot be cleared and disposed of until additional information is received.

Central of Georgia Railway Company

Savannah, Georgia

Board of Directors

Allison W. Ledbetter, Chairman
Rome, Georgia

James M. Barry, Birmingham, Ala.
Ambrose W. Benkert, New York, N. Y.
Earle F. Bidez, Savannah, Ga.
Frank E. Bone, Milledgeville, Ga.
Erle Cocke, Atlanta, Ga.
Donald Comer, Birmingham, Ala.
William E. Dillard, Savannah, Ga.
Robert W. Groves, Savannah, Ga.
Chas. C. Hertwig, Macon, Ga.
Julian T. Hightower, Thomaston, Ga.
Herschel V. Jenkins, Savannah, Ga.
C. Newton Kidd, Baltimore, Md.
Earl Knudsen, Pittsburgh, Pa.
Jack J. McDonough, Atlanta, Ga.
Benjamin J. Tarbutton, Sandersville, Ga.
Harry G. Thornton, Atlanta, Ga.
Martin L. Tressel, Pittsburgh, Pa.
D. Abbott Turner, Columbus, Ga.
Fred B. Wilson, Duluth, Ga.

Executive Committee

Allison W. Ledbetter
Chairman

W. E. Dillard
C. N. Kidd
B. J. Tarbutton
D. A. Turner

The Staff

W. E. Dillard, President and
General Manager, Savannah, Ga.

E. F. Bidez, Vice President—Staff
Savannah, Ga.

H. M. Croghan, Vice President
Savannah, Ga.

H. L. Perkins, Vice President
Atlanta, Ga.

L. H. Barry, Comptroller
Savannah, Ga.

John B. Miller, General Counsel
Savannah, Ga.

B. D. Helmken, Secretary
Savannah, Ga.

M. M. McLaughlin, Assistant Secretary
Savannah, Ga.

W. H. Saffold, Treasurer
Savannah, Ga.

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Highlights of

Income Account and Operating Statistics

	1958	1957	1956	1955
Operating Revenues	$ 42,557,534	$ 44,212,202	$ 44,785,471	$ 43,159,176
Operating Expenses	$ 36,464,890	$ 36,078,130	$ 35,984,233	$ 34,538,837
Operating Ratio (Expenses to Revenues)	85.68	81.60	80.35	80.03
Taxes	$ 2,595,070	$ 3,093,011	$ 3,141,144	$ 2,863,818
Income Available for Fixed Charges	$ 4,281,662	$ 5,175,045	$ 5,155,452	$ 5,003,691
Fixed Charges	$ 1,675,882	$ 1,363,005	$ 1,243,409	$ 1,203,767
Times Fixed Charges Earned	2.55	3.80	4.15	4.16
Other Deductions (Contingent Interest)	$ 604,113	$ 608,359	$ 612,065	$ 616,010
Net Income After Fixed Charges and Other Deductions	$ 2,001,667	$ 3,203,681	$ 3,299,978	$ 3,183,914
Shares of Capital Stock Outstanding as of End of Year:				
Preferred Stock	170,417	170,417	170,417	170,417
Common Stock	337,242	337,242	337,236	337,236
Tons of Revenue Freight Hauled (Thousands)	16,863	16,996	17,905	17,267
Revenue Ton Miles (Thousands)	3,050,093	3,118,789	3,207,991	3,084,670
Average Revenue Per Ton Mile	$ .0125	$ .0126	$ .0124	$ .0123
Passengers Carried	328,432	406,512	429,751	491,672
Passengers One Mile (Thousands)	56,767	69,103	73,416	79,831
Revenue Per Passenger Mile	$ .0255	$ .0253	$ .0245	$ .0225
Average Number of Employees	3,678	4,064	4,413	4,651
Total All Wages	$ 20,474,996	$ 22,274,263	$ 22,624,175	$ 21,714,492
Miles of Road Operated at End of Year	1,763	1,763	1,764	1,764

Central of Georgia Railway Company

Savannah, Georgia

Comparative
Condensed Balance Sheet
As of December 31, 1958 and December 31, 1957

ASSETS	December 31, 1958	December 31, 1957	+ Increase — Decrease
Cash and Temporary Cash Investments	$ 7,239,931	$ 6,960,549	+$ 279,382
Special Deposits	670,611	632,973	+ 37,638
Material and Supplies	2,791,975	3,322,210	— 530,235
All Other Current Assets	3,378,895	2,596,964	+ 781,931
Total Current Assets	14,081,412	13,512,696	+ 568,716
Funds Held by Trustee for Purchase of New Equipment	28,725	13,442	+ 15,283
Investments in Affiliated Companies	15,107,186	15,158,521	— 51,335
Other Investments and Other Reserve Funds	1,386,213	53,267	+ 1,332,946
Properties—Roadway, Equipment and Miscellaneous	149,245,616	151,969,424	— 2,723,808
Less: Depreciation, Amortization, Acquisition Adjustment and Donations	51,893,191	49,932,655	+ 1,960,536
Net Book Investment in Properties	97,352,425	102,036,769	— 4,684,344
Total Investments	113,874,549	117,261,999	— 3,387,450
Other Assets	895,910	820,279	+ 75,631
Total Assets	$ 128,851,871	$ 131,594,974	—$ 2,743,103
LIABILITIES			
Current Liabilities	$ 6,538,717	$ 6,893,922	—$ 355,205
Long Term Debt Due Within One Year	2,879,359	2,957,590	— 78,231
Long Term Debt (Due After One Year):			
Fixed Interest Bearing Mortgage Bonds	11,021,634	11,089,634	— 68,000
Contingent Interest Bearing Income Bonds	13,347,100	13,435,100	— 88,000
Equipment Obligations	24,099,335	26,707,628	— 2,608,293
Other Long Term Debt	3,021,787	3,192,216	— 170,429
Total Long Term Debt Due After One Year	51,489,856	54,424,578	— 2,934,722
Other Liabilities	397,979	705,189	— 307,210
SHAREHOLDERS' EQUITY			
Capital Stock—5% Preferred (Par $100)	17,041,700	17,041,700	....
Capital Stock—Common (No Par)	33,723,800	33,723,800	....
Retained Income	16,780,460	15,848,195	+ 932,265
Total Shareholders' Equity	67,545,960	66,613,695	+ 932,265
Total Liabilities and Shareholders' Equity	$ 128,851,871	$ 131,594,974	—$ 2,743,103

Central of Georgia Railway Company
Savannah, Georgia

To Our Stockholders

The report of the Central of Georgia Railway Company for the year 1958 is submitted herewith.

Net income after fixed and contingent charges for 1958 was $2,001,667; a decrease of $1,202,014 or 37.52% under 1957. Earnings per share on the Preferred Stock were $11.75 and on the Common, $3.41.

Due to special tax credits from accelerated amortization of investments in certain equipment and facilities, no Federal income taxes were accrued for 1958. Without such credits Federal income taxes for 1958 would have been $378,383. In addition to the elimination of Federal income tax for 1958 by carry back of unused tax credits Federal income taxes paid for years 1955, 1956 and 1957 amounting to $447,734 will be recovered. This tax recovery is reflected as a credit in the income account for 1958. Thus for the year 1958 the special tax credits from accelerated amortization resulted in a saving of $378,383 in Federal income tax for 1958 and the recovery of $447,734 taxes paid in prior years or a total saving and recovery of $826,117. In addition to this, there remains unused credits of $1,139,156 to carry forward into 1959 for a potential tax saving in that year of $592,361.

On January 16, 1959 dividends of $5.00 per share on the Preferred Stock and $1.00 per share on the Common Stock were declared, both payable in quarterly installments during 1959. This is the first dividend declared on the Common Stock since the reorganization of your Company in 1948. While earnings in 1958 were substantially below earnings of several recent years, your Management felt that the large expenditures made during the past nine years for new equipment, rehabilitation of the property and other purposes have so strengthened the position of the Company that a payment on the Common Stock could be made.

In the nine-year period ended December 31, 1958 gross capital expenditures for purchase of new equipment and for additions and betterments to fixed property totaled $57,850,000. In that same period the Savannah & Atlanta Railway was purchased at a cost of $3,500,000 and substantially all of the Capital Stock of the South Western Railroad, an integral part of Central of Georgia lines, was purchased at a cost of $3,765,675. An arrearage of three years interest on the General Mortgage bonds aggregating $1,873,550 and three years arrearage of dividends on the Preferred Stock amounting to $2,556,255 was paid up. Sinking fund payments for retirement of First and General Mortgage bonds aggregating $1,205,992 were used for the retirement of $1,590,700 principal amount of bonds. These investments and disbursements have greatly improved the prospects for good results in the future.

On November 15, 1958 the waterfront terminal properties of Central of Georgia at Savannah, Ga., were sold to the Georgia Ports Authority for a consideration of $1,850,000. On the same date similar properties owned by Ocean Steamship Company of Savannah were sold to the Ports Authority for a consideration of $930,000. The Ports Authority will continue the operation of these facilities as the "Savannah State Docks Ocean Terminal" and Central of Georgia will continue to be the only railroad serving these terminals. It is believed that the properties will be greatly improved by the Ports Authority to attract a larger volume of tonnage through the Port of Savannah and thereby increase the import and export tonnage handled over Central of Georgia lines.

The economic recession of 1957 extended well into 1958 and it was not until the last quarter of the year that the downward trend was arrested. Carloads of freight handled in 1958 totaled 463,411, which was 18,729 or 3.88% below 1957. This compares with a decrease of 14.08% in carloads handled by all Class 1 railroads in the United States, and a decrease of 8.75% for Class 1 railroads in the Southern Region.

The decline in carloads handled resulted in a decrease of $1,111,627 or 2.82% in freight revenue. For all Class 1 railroads in the United States the decrease in freight revenue was 9.74% and for Class 1 railroads in the Southern Region, 7.24%.

The decline in general business activity during the past year resulted in more intense competition from other modes of transportation, as industry endeavored to reduce transportation costs to the fullest extent possible. The Traffic Department, in coping with these adverse conditions, pursued a very active and progressive sales and service campaign, and at the same time, assumed a very realistic attitude in meeting competition. In many cases, through adjustment of rates to meet competing forms of transportation, business was retained for rail handling, and in some instances, traffic which had already been diverted to other forms of transportation was restored to rail handling.

Although wage rates, materials and supplies continued to increase during the year, the railroads decided against seeking further increases in freight rates. At the beginning of the year, a proceeding was pending before the Interstate Commerce Commission in Ex Parte 212, and increases in freight rates resulting therefrom were permitted to become effective February 15, 1958, subject to further investigation by the Interstate Commerce Commission. The rates applying to many important revenue-producing commodities moving in volume were not increased in this proceeding. Upon final approval of the Interstate Commerce Commission in Ex Parte 212, authority was sought from the Georgia Public Service Commission to make corresponding increases on Georgia intrastate traffic, and this was heard on January 29, 1959, and is still pending. Handling will shortly be given with the Alabama Public Service Commission to authorize the same increases on Alabama intrastate traffic.

Constant efforts to control the cost of operations were continued throughout the year resulting in a decrease of $38,413 in Transportation Expenses under 1957 in spite of substantial increases in wage rates. It was felt, however, that allotments for maintenance should be maintained to avoid an accumulation of deferred maintenance in tracks and equipment. Consequently, there was an increase of $117,160 in expenditures for Maintenance of Way and Structures and an increase of $61,371 in Maintenance of Equipment. Operating Expenses also included an increase of $248,267 in depreciation accruals on equipment brought about by the purchase of 5 locomotives and 1,255 freight cars in the year 1957.

No new equipment was acquired during 1958. Long-term debt was reduced $3,012,952 by retirement of $156,000 of mortgage bonds with sinking fund money, payment of $170,429 on bank loan made in 1951 in connection with purchase of Savannah & Atlanta Railway and payment of maturities on Equipment Obligations amounting to $2,686,523.

In 1958 forty-two new industries located along our line. The highlights of our industrial development program during the year was the location of a large paper converting plant at Albany, Georgia by Sutherland Paper Company which has already been constructed and in production. Another was the announcement in December that Continental Can Company will build a large bleached paperboard mill on our line at Nixon (near Augusta, Ga.), representing an initial investment of $45,000,000. It is understood that construction of this plant will get under way in March, 1959.

During the early part of 1958, activities in the field of industrial development slowed up somewhat, but this condition was reversed in the latter part of the year and there is now much activity on the part of industry seeking new plant locations. Prospects for 1959 are encouraging.

There has been an upturn in freight traffic in the first quarter of 1959, and indications are that there will be a continuation of this upward trend. On the other hand, the three-year contracts signed in 1956 with labor organizations will expire on November 1, 1959 and the general chairmen of organizations representing locomotive engineers and firemen, conductors and switchmen have served notices proposing changes in labor agreements effective November 1, 1959 as follows: (a) add the cost of living increases in effect November 1, 1959 to the existing basic rates of pay, (b) continue a cost of living adjustment based on Consumers Price Index as of September 1959, (c) increase basic rates of pay and all arbitraries, special allowances, monthly and daily guaranties by twelve percent. Notices of a similar nature will no doubt be served by general chairmen of other labor organizations. These notices are all subject to negotiations under the Railway Labor Act. The results of such negotiations cannot be accurately forecast at this time and will not be effective until November 1, 1959, but any increase in costs presents a serious problem in view of the intensive competition of other modes of transportation which precludes further general increases in freight rates.

In a report and order dated November 14, 1958 the Interstate Commerce Commission reversed the approval by Division Four of the Petition of St. Louis-San Francisco Railway for authority to control Central of Georgia. In its report the full Commission found that Frisco had acquired control and was controlling Central of Georgia in violation of the Interstate Commerce Act and ordered the Frisco to cease and desist from further violation of Section 5(4) of the Act by either divesting itself of Central stock or by transferring such stock to a corporate trustee.

Petitions for reconsideration and postponement of the effective date of the Commission's order, pending disposition of said petitions, were filed by the Frisco and the Public Service Commissions of Georgia and Alabama and by order dated January 14, 1959 the Commission did postpone the effective date of the order of November 14, 1958 "pending disposition of said petition for reconsideration and such other petitions and replies that may be timely filed."

Thereafter the Public Service Commissions of the states of Arkansas, Oklahoma, Kansas and Missouri filed petitions for leave to intervene in support of the Frisco application and replies to Frisco's petition were filed by the Illinois Central Railroad, the Seaboard Air Line Railroad and Central of Georgia Stockholders Sol G. Salomon and Edward F. Quirke.

All of these petitions and replies are now under consideration by the Interstate Commerce Commission.

We gratefully acknowledge with deep appreciation the continued loyalty and support of your Company's shareholders, patrons, employees and officers.

AW Ledbetter

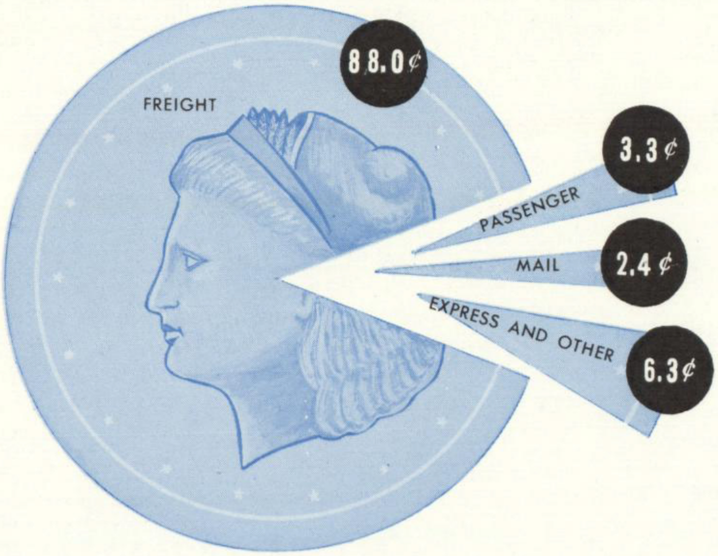
A. W. LEDBETTER,
Chairman of the Board.

W E Dillard

W. E. DILLARD,
President.

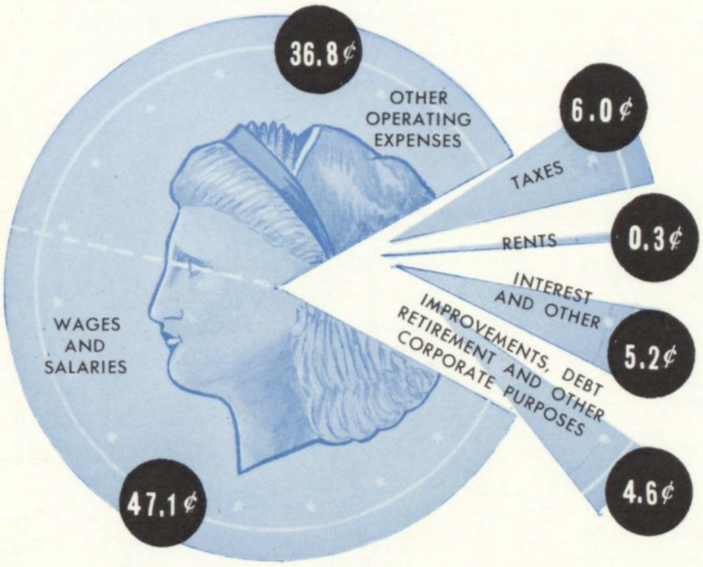
March 15, 1959.

WHERE THE CENTRAL OF GEORGIA DOLLAR CAME FROM DURING THE CALENDAR YEAR 1958—



Freight Revenue	$38,246,666
Passenger Revenue	1,447,786
Mail Revenue	1,041,565
Express Revenue	407,310
All Other Revenues	1,414,207
Net Equipment and Joint Facility Rents	525,629
Other Income	363,454
TOTAL	$43,446,617

WHERE THE CENTRAL OF GEORGIA DOLLAR WENT DURING THE CALENDAR YEAR 1958—



Operating Expenses:	
Wages and Salaries	$20,474,996
Other Operating Expenses	15,989,894
Taxes	2,595,070
Miscellaneous Rents, Taxes and Income Charges	104,995
Bond Interest	443,463
Interest—Equipment and Other Obligations	1,202,174
Other Charges	30,245
Interest—Income Bonds	604,113
Improvements, Debt Retirement and Other Corporate Purposes	2,001,667
TOTAL	$43,446,617

The Report for 1958

Operating Revenues

The total operating revenues for year 1958 amount to $42,557,534 as compared with $44,212,202 for the previous year, a decrease of $1,654,668 or 3.74%. Freight revenue for the year was $38,246,666, a decrease of $1,111,627 or 2.82%; passenger revenue decreased $301,633 or 17.2%; mail and express revenue decreased $88,693 or 5.77%. There was an increase of $48,966 in storage freight or 44.70% as compared with 1957 and demurrage increased $6,743 or 4.77%. All other revenue accounts decreased $208,424 or 15.84%.

On page 8 of the report is an illustration of the Central's revenue dollar. Our revenue dollar was made up of 88¢ for transportation of freight, 3.3¢ for handling passengers and 8.7¢ for transportation of mail and other sources.

Freight Traffic

Freight revenue was $38,246,666 against $39,358,293 for the previous year, a decrease of $1,111,627. Tons of revenue freight carried one mile amounted to 3,050,092,922 compared with 3,118,788,828 for the previous year, a decrease of 68,695,906 or 2.20%. Freight revenue for carrying one ton of freight one mile was 1.25¢ in 1958 compared with 1.26¢ in 1957, a decrease of .01¢ or .08%.

Following is a tabulation of gross freight revenues for 1958 compared with 1957. These figures are shown without adjustment for absorptions or corrections.

	Year 1958	Year 1957
Products of Agriculture	$ 3,914,392	$ 3,819,840
Animals and Products	435,334	436,317
Products of Mines	9,626,840	9,627,916
Products of Forests	4,831,571	5,328,603
Manufactures and Miscellaneous	19,771,621	20,885,874
Forwarder Traffic	458,673	495,444
Total Carload Freight	$39,038,431	$40,593,994
Less than Carload Freight	821,551	987,400
TOTAL	$39,859,982	$41,581,394

Passenger Traffic

Revenue derived from transportation of passengers during 1958 was $1,447,786 compared with $1,749,419 for the previous year, or a decrease of $301,633. Passenger service train revenues totaled $3,071,844, a decrease of $401,757 compared with the previous year. The decrease in passenger train revenue was due to discontinuance of trains Nos. 32 and 33, "The Southland," effective November 30, 1957.

Statistically the average miles per passenger in 1958 was 173 compared with 170 for the previous year. The average revenue per passenger mile in 1958 was 2.55¢ compared with 2.53¢ in 1957. Passenger train miles in 1958 were 950,964, a decrease of 123,479 compared with 1957.

Management, through its program toward effecting all economies possible, continued its study of passenger train operations as outlined in previous year's report. Application was made to the Georgia Public Service Commission and such application was granted to discontinue passenger trains Nos. 3 and 4 between Savannah and Atlanta. The trains were discontinued effective January 1, 1959. The annual savings by elimination of these trains will be approximately $175,000. Provisions have been made for the adequate handling of express and mail by highway truck service operated by our subsidiary motor carrier.

Operating Expenses

Total operating expenses for 1958 amounted to $36,464,890 against $36,078,130 for the previous year, an increase of $386,760 or 1.07%. As in the previous year, we were met with an increase in wage rates and in the price of materials and supplies. To some extent these increases have been offset by force reductions and other economies, but without curtailment in maintenance of our properties. The maintenance of way accounts, other than depreciation and retirement losses, increased $132,370. The maintenance of equipment account, other than depreciation and retirements, increased $38,189.

Traffic expenses decreased $28,921. This was due mainly to the substantial decrease in cost of advertising.

Transportation expenses decreased $38,413 and is summarized by services as follows:

	1958	1957	+ Increase — Decrease
Supervision	$ 768,098.69	$ 780,908.96	—$ 12,810.27
Station Service	2,553,345.02	2,765,748.61	— 212,403.59
Yard Service	4,592,428.79	4,430,595.73	+ 161,833.06
Train Service—Passenger	1,648,048.36	1,862,300.35	— 214,251.99
Train Service—Freight	5,468,134.96	5,303,531.26	+ 164,603.70
Miscellaneous	636,583.36	636,094.34	+ 489.02
Casualties	975,382.07	846,793.32	+ 128,588.75
Joint Facilities	976,109.66	1,030,571.21	— 54,461.55
TOTAL	$17,618,130.91	$17,656,543.78	—$ 38,412.87

The substantial decrease in station service was due principally to the elimination of station agencies. There was a substantial decrease in passenger train service due to the elimination of unprofitable passenger trains. Freight train service shows an increase of $164,604. Included herein was a reduction of $122,057 in fuel; however, there were substantial increases in wages of enginemen and trainmen.

Miscellaneous operations decreased $6,673 which was partially due to elimination of the Tavern Car on our Man o' War train, effective October 31, 1957.

General expenses increased $43,342 due mainly to an increase in salaries and in pensions and group insurance.

Our expense dollar, as illustrated on page 8 of this report, was made up of 47.1¢ for wages and salaries, 36.8¢ for material and other expenses, 6.3¢ for taxes and rents, and 9.8¢ for interest and other corporate expenses.

A statement of the operating expenses by accounts with increases and decreases will be found on Sheets 17 through 19 of this report.

Taxes

The Central's tax bill for the year 1958, in comparison with year 1957, was as follows:

	Year 1958	Year 1957
Railroad Retirement Tax	$ 990,988	$1,069,666
Railroad Unemployment Insurance Tax	396,578	341,858
State, County and Municipal Taxes	1,415,946	1,385,593
Federal Income Tax	Cr. 366,517	88,023
Georgia Income Tax	Cr. 999	6,359
Alabama Income Tax	Cr. 173	Cr. 1,049
Sales and Miscellaneous Taxes	159,247	202,561
TOTAL	$2,595,070	$3,093,011

The net credit of $366,517, Federal Income Tax, is made up as follows:

Credit arising from carry-back of $987,824.32 of deductions allowed for accelerated amortization of defense facilities during 1958 to years 1955, 1956 and 1957	$447,734
Credit representing refund between estimated and actual 1957 Income Tax Liability	18,783
Debit representing reversal of that portion of claims for refund of Federal Income Tax for years 1952 and 1953, previously taken into accounts, but now determined to be uncollectible because of 1958 changes in Internal Revenue Code	100,000
Net Credit	$366,517

The tax deductions for the excess of amortization of defense facilities amounted to $2,214,034, and the tax deductions for the excess of depreciation under the declining balance method amounted to $640,605, aggregating $2,854,639. Net taxable income before income taxes and before special tax deductions detailed above was $727,659; therefore, no income taxes were accrued for year 1958. The use of the special deductions shown above is illustrated in the following compilation:

Excess of amortization of defense facilities	$2,214,034	
Excess of depreciation under declining balance method	640,605	
Total		$2,854,639
Net Income, 1958, before income taxes		727,659
Balance of Deductions		$2,126,980
Portion of this balance used to carry-back to years 1955, 1956 and 1957 to recover all Federal income tax paid for those years		$ 987,824
Balance available to carry-over into next five years as off-set to taxable income		$1,139,156
Without the special tax deductions Federal Income Taxes would have been		$ 378,383

Long Term Debt

Long Term Debt decreased during the year $3,012,952.66 as follows:

Retirement of bonds through First and General Mortgage Bonds sinking fund provisions:	
First Mortgage Bonds	$ 68,000.00
General Mortgage Bonds	88,000.00
By Cash payments provided in agreements:	
4% note due Citizens and Southern National Bank	170,428.90
Equipment Trust "W"	155,000.00
Equipment Trust "X"	185,000.00
Equipment Trust "Y"	364,000.00
Equipment Trust "Z"	177,000.00
Equipment Trust "A"	62,000.00
Equipment Trust "B" (Note A)	312,000.00
Equipment Trust "C"	56,000.00
Equipment Trust "D"	170,000.00
J. P. Morgan and Co.—Combined Old Agreements	260,000.00
J. P. Morgan and Co.—New Agreements	427,023.36
Conditional Sales Agreement No. 1	69,166.68
Conditional Sales Agreement No. 2	69,166.68
Conditional Sales Agreement No. 3	41,500.00
Conditional Sales Agreement No. 4	241,833.52
Conditional Sales Agreement No. 5	96,833.52
Total Reduction	$3,012,952.66

There were no new equipment obligations and conditional sales agreements issued during the year.

NOTE "A"

The payments above indicated by Note "A" represents payments due February 1 and August 1 of which $99,063 was collected from Savannah and Atlanta Railway Company, as their pro rata share.

Physical Changes In Roadway and Structures

During 1958, 9.50 track miles of new 115-pound rail were laid in main line, replacing rail of a lighter section. 6.25 miles of relay rail were laid in main lines; 4.62 miles replaced rail of a lighter section; 1.63 miles replaced worn rail of the same section.

2,159 feet of the Fort Gaines District main line at Cuthbert Junction were retired and 1,247 feet, or the west leg of the wye track were restored and converted to main line, thus decreasing the Fort Gaines District main line by 0.17 of a mile.

Six Company tracks were constructed or extended, aggregating 1.12 miles. Thirty-two Company tracks were removed or shortened, aggregating 4.97 miles. The net decrease was 3.85 miles.

Twenty-seven industrial tracks were constructed or extended, aggregating 3.12 miles. Twelve industrial tracks were removed or shortened, aggregating 1.28 miles. The net increase was 1.84 miles.

The channel of Silver Creek was changed from north side to south side of main line track between M.P. S-371 + 240 feet and M.P. S-371 + 770 feet, Chattanooga District. Trestles C-371.0 and C-371.1 were retired and replaced by filling. 120 linear feet of 42" x 46½" reinforced concrete pipe were installed at Mile Post 371.1 to take care of the drainage.

235,356 new treated crossties were used in renewals. 9,744 new treated crossties and 2,748 second-hand treated crossties were used in constructing new tracks.

73 sets, or 393,725 feet b.m. of treated switch ties were used in renewals and 24 sets or 105,852 feet b.m. of treated switch ties and 4 sets or 19,972 feet b.m. of second-hand switch ties were used in constructing new tracks. 50,464 feet b.m. of treated bridge ties were used in renewals.

The following roadway equipment was acquired during the year:

1—Fairmont A-34 Hyrail Car
2—Racine "Model 15" Portable gasoline-engine driven rail cutting machines
2—Nordberg "Model CD" gasoline-engine driven, rail drills
1—Nordberg Line Indicator for lining track
1—Raco "Model C" Power track wrench
4—Trailer type camp cars
1—Three-quarter-ton pick-up truck
2—1958 Ford Custom Sedans

Alterations to concrete viaduct over State road 76, Childersburg, Ala., were completed.

At Macon, Ga., a concrete block extension to warehouse at Broadway and Plum Streets was constructed.

At Columbus, Ga., an extension to yard office was constructed.

COMMUNICATIONS—The following additions and improvements to communications were made:

One radio base station at Cedartown, Ga.; three dual, 25-watt radio outfits for bridge gangs; four-inch pneumatic message tube system, between consolidated freight agency and the yard office at East Point, Ga.; three-inch pneumatic message tube system between the yard office and the chief dispatcher's office at Columbus, Ga.; and rearrangement and improvement of telephone facilities, Savannah to Macon, Ga., and Columbus, Ga. to Chattanooga, Tenn.

SIGNALS — Seven automatic railway-highway grade crossing signals were installed. Old obsolete traffic control system on twenty miles of road, between Rutland, Ga. and Carman, Ga., was replaced with modern automatic permissive block system.

Equipment

During 1958 two 50′6″ 50-ton capacity box cars were purchased to replace two similar cars that were destroyed in accidents.

The following equipment was altered or given general repairs and repainted in company shops during 1958:

- 2—Bulkhead flat cars with permanent side stakes for gypsum board loading
- 2—Bulkhead flat cars had permanent side stakes added
- 5—Flat cars converted to bulkhead flat cars for lumber loading
- 213—50-ton capacity steel box cars had body bolster patches applied
- 100-ton wrecker crane converted from coal fired to oil fired and rebuilt
- 64—Locomotives were overhauled
- 25—Locomotives were painted
- 285—Freight cars were given general repairs
- 828—Freight cars were painted
- 14—Passenger cars were given general repairs
- 13—Passenger cars were repainted

Cobra brake shoes were applied to all passenger cars operating regularly in NANCY HANKS II to provide quieter braking and improved wheel life.

Roller bearings were applied to Coach 652, replacing friction type bearings.

Twelve Road Switcher type locomotives were equipped with flat maintaining brake valves to provide smoother handling of long freight trains.

Financial Statements and Statistics

The following income and balance sheet statements exhibit the financial results of operations in 1958 and the financial conditions of your company at the close of the year. Other tables supply data of general interest.

Accountants' Opinion

HASKINS & SELLS
CERTIFIED PUBLIC ACCOUNTANTS

67 BROAD STREET
NEW YORK 4

To the Stockholders,
Central of Georgia Railway Company:

We have examined the balance sheet of Central of Georgia Railway Company as of December 31, 1958, and the related statements of income and retained income-unappropriated for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying balance sheet and statements of income and retained income-unappropriated present fairly the financial position of the Company at December 31, 1958 and the results of its operations for the year then ended in conformity with principles of accounting prescribed or authorized by the Interstate Commerce Commission applied (except for the changes explained in Note 1 to the financial statements) on a basis consistent with that of the preceding year.

Haskins & Sells

February 26, 1959

Income Statement

For the Years Ended December 31, 1958 and 1957

Accounts	1958	1957
Average miles operated	1,762.84	1,762.85
Railway Operating Revenues:		
Rail-line Transportation:		
Freight	$38,246,666.15	$39,358,292.90
Passenger	1,447,786.22	1,749,418.75
Mail	1,041,564.58	1,055,986.04
Express	407,310.19	481,582.19
Switching	470,584.32	480,098.52
Other	7,387.77	9,760.67
Total rail-line transportation revenue	41,621,299.23	43,135,139.07
Incidental Operating Revenue:		
Dining and buffet	167,795.94	176,853.14
Storage-freight	158,513.10	109,546.85
Demurrage	147,976.83	141,233.80
Rents of buildings and other property	106,158.36	117,634.08
Terminal charges at Savannah	272,931.51	430,152.34
Other	50,459.56	63,659.53
Total incidental operating revenue	903,835.30	1,039,079.74
Joint Facility Operating Revenue	32,399.39	37,982.93
Total railway operating revenues	42,557,533.92	44,212,201.74
Railway Operating Expenses:		
Maintenance of way and structures	6,697,873.33	6,590,086.94
Maintenance of equipment	7,864,784.74	7,555,145.59
Traffic	2,029,521.29	2,058,442.04
Transportation—rail line	17,618,130.91	17,656,543.78
Miscellaneous operations	232,309.51	238,983.12
General	2,022,270.32	1,978,928.09
Total railway operating expenses	36,464,890.10	36,078,129.56
Net revenue from railway operations	6,092,643.82	8,134,072.18
Railway Tax Accruals:		
Federal income taxes (Note 2)	Cr. 366,517.43	88,022.46
State income taxes	Cr. 1,172.03	5,309.57
Pay roll taxes	1,387,566.56	1,411,525.35
All other taxes	1,575,192.33	1,588,153.58
Total railway tax accruals	2,595,069.43	3,093,010.96
Railway operating income	3,497,574.39	5,041,061.22
Rent Income:		
Hire of freight cars—Credit balance	609,564.60	....
Rent from locomotives	151,977.67	181,960.07
Rent from passenger-train cars	404,633.48	468,690.31
Rent from work equipment	11,179.93	9,281.07
Joint facility rent income	205,405.58	219,052.64
Total rent income	1,382,761.26	878,984.09
Gross railway operating income	4,880,335.65	5,920,045.31
Rents Payable:		
Hire of freight cars—Debit balance	....	117,349.18
Rent for locomotives	117,719.65	108,046.53
Rent for passenger-train cars	369,921.42	418,133.68
Rent for work equipment	2,273.65	1,539.55
Joint facility rents	367,217.67	368,137.99
Total rents payable	857,132.39	1,013,206.93
Net railway operating income—carried forward	$ 4,023,203.26	$ 4,906,838.38

Income Statement

For the Years Ended December 31, 1958 and 1957 (continued)

Accounts	1958	1957
Net railway operating income—brought forward	$ 4,023,203.26	$ 4,906,838.38
Other Income:		
Income from lease of road and equipment	39,493.24	40,199.64
Miscellaneous rent income	114,388.88	99,437.51
Income from nonoperating property	60,488.91	50,342.37
Dividend income	6,484.60	11,587.00
Interest income	121,588.42	162,897.08
Miscellaneous income (Note 1)	21,010.08	2,269.60
Total other income	363,454.13	366,733.20
Total Income	4,386,657.39	5,273,571.58
Miscellaneous Deductions from Income:		
Miscellaneous rents	52,582.98	60,082.98
Miscellaneous tax accruals	8,157.00	7,725.00
Miscellaneous income charges (Note 1)	44,255.74	30,718.42
Total Miscellaneous Deductions	104,995.72	98,526.40
Income available for fixed charges	4,281,661.67	5,175,045.18
Fixed Charges:		
Rent for leased roads and equipment	10,419.93	10,020.50
Interest on funded debt:		
Mortgage bonds	443,462.67	446,369.33
Equipment obligations and notes	1,202,173.61	878,412.06
Amortization of discount on funded debt	19,825.55	28,202.78
Total Fixed Charges	1,675,881.76	1,363,004.67
Income after fixed charges	2,605,779.91	3,812,040.51
Other Deductions:		
Contingent interest	604,113.00	608,359.50
Net Income After Fixed Charges and Other Deductions	$ 2,001,666.91	$ 3,203,681.01

See Notes to Financial Statements on Page 16.

Balance Sheet

December 31, 1958 and 1957

Assets	December 31, 1958	December 31, 1957
Current Assets:		
Cash (Note 1)	$ 3,953,392.44	$ 3,977,872.04
Temporary cash investments	3,286,538.25	2,982,677.24
Special deposits	670,611.29	632,973.06
Loans and notes receivable	4,200.00	8,400.00
Net balance receivable from agents and conductors	543,010.17	538,033.41
Miscellaneous accounts receivable	1,425,839.00	1,268,289.36
Interest and dividends receivable	54,771.49	23,275.21
Accrued accounts receivable	1,213,695.14	616,721.12
Working fund advances	26,948.00	26,948.00
Prepayments	70,524.57	79,658.21
Material and supplies	2,791,974.85	3,322,210.22
Other current assets	39,906.86	35,638.46
Total current assets	14,081,412.06	13,512,696.33
Special Funds—Capital and Other Reserve Funds	107,788.27	50,524.70
Investments: (Page 20)		
Investments in affiliated companies:		
Stocks	7,707,266.84	7,733,189.87
Bonds	11,880.00	71,880.00
Other secured obligations	2,941,540.33	2,901,969.23
Unsecured notes	15,086.25	15,086.25
Investment advances	4,431,412.38	4,436,395.57
Other investments	1,307,149.35	16,184.35
Total investments	16,414,335.15	15,174,705.27
Properties:		
Road and equipment property:		
Road	73,315,792.93	75,685,698.85
Equipment	69,966,165.79	69,961,764.79
General expenditures	3,816,133.12	3,826,113.64
Improvements on leased property	380,310.73	396,846.24
Acquisition adjustment	Cr. 12,288,207.00	Cr. 12,328,077.24
Donations and grants	Cr. 979,984.76	Cr. 737,546.44
Total transportation property	134,210,210.81	136,804,799.84
Accrued depreciation and amortization—Road	Cr. 10,266,646.08	Cr. 10,732,046.95
Accrued depreciation and amortization—Equipment	Cr. 28,147,761.83	Cr. 25,924,393.20
Total transportation property less recorded depreciation and amortization	95,795,802.90	100,148,359.69
Miscellaneous physical property	1,767,213.52	2,099,000.84
Accrued depreciation—Miscellaneous physical property	Cr. 210,591.66	Cr. 210,591.66
Miscellaneous physical property less recorded depreciation	1,556,621.86	1,888,409.18
Total properties less recorded depreciation and amortization	97,352,424.76	102,036,768.87
Other Assets and Deferred Charges:		
Other assets	191,025.00	175,102.15
Unamortized discount on long term debt	153,026.40	172,961.59
Other deferred charges	551,858.84	472,215.10
Total other assets and deferred charges	895,910.24	820,278.84
Total Assets	$ 128,851,870.48	$ 131,594,974.01

Balance Sheet

December 31, 1958 and 1957

Liabilities and Shareholders' Equity	Total Issued	Held by or for Company	December 31, 1958	December 31, 1957
Current Liabilities:				
Traffic and car-service balances			$ 661,941.48	$ 551,775.63
Audited accounts and wages payable (Note 1)			1,375,124.82	2,030.611.85
Miscellaneous accounts payable			541,832.53	616,636.47
Interest matured unpaid			363,909.66	372,950.01
Dividends matured unpaid			8,880.00	7,770.00
Unmatured interest accrued			919,211.49	849,909.70
Accrued accounts payable (Note 1)			2,022,217.74	1,809,765.64
Federal income tax accrued				61,943.26
Other taxes accrued			191,780.17	168,534.09
Other current liabilities (Note 1)			453,818.70	424,025.74
Total current liabilities			6,538,716.59	6,893,922.39
Long Term Debt Due Within One Year:				
Equipment obligations and other debt (Note 1)			2,879,359.42	2,957,590.22
Long Term Debt (Due After One Year):				
First Mortgage 4% Bonds, Series A, due January 1, 1995			11,021,633.50	11,089,633.50
General Mortgage 4½% Income Bonds:				
Series A, due January 1, 2020			807,300.00	895,300.00
Series B, due January 1, 2020			12,539,800.00	12,539,800.00
4% Note due on or before July 1, 1961			87,287.37	257,716.27
Equipment obligations			24,099,334.92	26,707,627.88
Amounts payable to affiliated companies—Open Account			2,934,500.00	2,934,500.00
Total long term debt due after one year			51,489,855.79	54,424,577.65
Reserves—Casualty and Other Reserves (Note 1)				175,490.83
Other Liabilities and Deferred Credits:				
Other liabilities			85,943.16	67,598.16
Other deferred credits			194,914.50	330,247.87
Accrued depreciation—Leased property			117,121.28	131,852.27
Total other liabilities and deferred credits			**397,978.94**	529,698.30
Shareholders' Equity:				
Capital Stock:				
Preferred 5% ($100 par value)	$17,041,700.00	$	17,041,700.00	17,041,700.00
Common (without par value)	33,724,200.00	**400.00**	33,723,800.00	33,723,800.00
Total capital stock			50,765,500.00	50,765,500.00
Retained Income:				
Retained income—Appropriated			129,566.50	129,566.50
Retained income—Unappropriated			16,650,893.24	15,718,628.12
Total retained income			16,780,459.74	15,848,194.62
Total shareholders' equity			67,545,959.74	66,613,694.62
Total Liabilities and Shareholders' Equity			$ 128,851,870.48	$ 131,594,974.01

See Notes to Financial Statements on Page 16.

Statement of Retained Income—Unappropriated

For the Year Ended December 31, 1958

CREDIT BALANCE January 1, 1958		$15,718,628.12
CREDITS:		
Credit balance transferred from income	$2,001,666.91	
Profit from company bonds reacquired	26,499.75	
Release of surplus appropriated in 1957 for funded debt retired through Sinking Funds	129,566.50	
Total Credits		2,157,733.16
Total		17,876,361.28
DEBITS:		
Dividends paid on Preferred Stock during 1958 out of 1957 earnings—$5.00 per share (Note 3)	852,085.00	
Portion of loss chargeable against Retained Income—Unappropriated from sale of Savannah Terminal Wharfs and Docks to Georgia Ports Authority	243,816.54	
Appropriations from 1958 earnings for Sinking Fund requirements	129,566.50	
Total Debits		1,225,468.04
CREDIT BALANCE December 31, 1958		$16,650,893.24

NOTES TO FINANCIAL STATEMENTS

1. The 1958 financial statements reflect the following modifications in the Uniform System of Accounts for Railroad Companies which were made effective as of January 1, 1958 by order of the Interstate Commerce Commission.

   Cash and Audited Accounts and Wages Payable were reduced by $518,502.20 at December 31, 1958, representing the amount of checks and drafts transmitted to payees which remained outstanding at that date.

   Casualty and Other Reserves of $225,139.06 at December 31, 1958 representing estimated amount of claims payable within one year are included in the balance sheet as current liabilities rather than reserves as in prior years.

   Miscellaneous Credits and Debits amounting to $14,612.04 and $30,888.72, respectively, were included in income in 1958 rather than in retained income-unappropriated as provided by the Uniform System of accounts in effect prior to 1958.

   Long-term debt due within one year is shown under a separate caption on the balance sheet.

   Also, for purpose of comparison, $138,820.30 of 1957 Other Current Liabilities was reclassified as long-term debt due within one year.

2. Railway tax accruals for Federal income taxes were reduced approximately $826,000 for 1958 and $1,602,000 for 1957 by the recognition for tax purposes of the excess of accelerated amortization over the amount of depreciation recorded in the accounts. At December 31, 1958 the accumulated amounts of tax reductions realized because of accelerated amortization and accelerated depreciation were approximately $7,715,000, and $400,000 respectively.

3. A dividend of $5.00 per Share on Preferred Stock for 1958 has been declared payable quarterly during 1959. Also a dividend of $1.00 per Share on the 337,242 shares of Common Stock outstanding was declared payable quarterly during 1959 from earnings of 1958.

Detail of Railway Operating Expenses

Accounts	Year Ended December 31		+ Increase — Decrease
	1958	1957	
Maintenance of Way and Structures:			
Superintendence	$ 667,105.02	$ 636,123.88	$+ 30,981.14
Roadway maintenance	369,041.88	436,755.69	— 67,713.81
Tunnels and subways	327.66	1,051.81	— 724.15
Bridges, trestles and culverts	184,301.89	172,691.67	+ 11,610.22
Ties—Switch and bridge	93,097.71	53,185.93	+ 39,911.78
Ties—Cross	749,997.32	760,656.38	— 10,659.06
Rails	154,791.08	118,632.36	+ 36,158.72
Other track material	390,219.10	268,488.57	+ 121,730.53
Ballast	263,248.91	290,369.96	— 27,121.05
Track laying and surfacing	1,759,290.22	1,809,081.30	— 49,791.08
Fences, snowsheds and signs	17,607.63	13,421.81	+ 4,185.82
Station and office buildings	203,256.58	221,432.79	— 18,176.21
Roadway buildings	5,590.04	1,331.83	+ 4,258.21
Water stations	16.20	255.70	— 239.50
Fuel stations	5,364.29	6,802.74	— 1,438.45
Shops and enginehouses	91,704.76	81,052.14	+ 10,652.62
Storage warehouses	483.74	1,648.53	— 1,164.79
Wharves and docks	23,981.59	21,509.96	+ 2,471.63
Communication systems	187,902.67	207,109.79	— 19,207.12
Signals and interlockers	177,416.27	201,056.35	— 23,640.08
Power Plants	268.98	7.30	+ 261.68
Power-transmission systems	6,495.22	8,240.29	— 1,745.07
Miscellaneous structures			
Roadway machines	269,089.40	227,026.56	+ 42,062.84
Dismantling retired road property	24,099.46	20,388.38	+ 3,711.08
Small tools and supplies	155,338.11	139,779.98	+ 15,558.13
Removing snow, ice and sand	282.26	10.01	+ 272.25
Public improvements—Maintenance	79,501.57	55,715.58	+ 23,785.99
Injuries to persons	12,000.00	12,000.00	
Insurance	62,758.15	61,811.06	+ 947.09
Stationery and printing	12,605.80	7,922.54	+ 4,683.26
Other expenses	98,669.19	102,492.63	— 3,823.44
Maint'g. Jt. Tr., Yds. and other Fac.—Dr.	191,251.95	244,548.63	— 53,296.68
Maint'g. Jt. Tr., Yds. and other Fac.—Cr.	128,832.42	186,700.29	— 57,867.87
Right-of-way expenses			
Total Expended	6,128,272.23	5,995,901.86	+ 132,370.37
Road property—depreciation	526,317.35	535,691.41	— 9,374.06
Retirements—road—not replaced	43.283.75	58,493.67	— 15,209.92
Retirements—road—replaced			
Total Maintenance of Way and Structures	6,697,873.33	6,590,086.94	+ 107,786.39
Maintenance of Equipment:			
Superintendence	353,085.66	341,781.62	+ 11,304.04
Shop machinery	86,928.37	100,759.27	— 13,830.90
Power plant machinery	15,302.00	20,211.46	— 4,909.46
Dismantling retired shop and power-plant machinery	122.90	36.32	+ 86.58
Other locomotives—Passenger-Repairs	333,407.46	354,410.41	— 21,002.95
Other locomotives—Freight-Repairs	1,581,192.46	1,385,330.80	+ 195,861.66
Other locomotives—Switching-Repairs	275,600.23	257,679.25	+ 17,920.98
Freight-train cars—Repairs	2,222,259.03	2,246,975.02	— 24,715.99
Passenger-train cars—Repairs	345,325.52	559,090.36	— 213,764.84
Work Equipment—Repairs	100,806.18	46,311.05	+ 54,495.13
Miscellaneous equipment—Repairs	70,887.71	43,025.92	+ 27,861.79
Dismantling retired equipment	2,639.16	2,083.13	+ 556.03
Injuries to persons	24,000.00	24,000.00	
Insurance	80,602.34	77,766.12	+ 2,836.22
Stationery and printing	8,631.90	9,143.70	— 511.80
Carried Forward	$ 5,500,790.92	$ 5,468,604.43	$+ 32,186.49

Detail of Railway Operating Expenses
(Continued)

Accounts	Year Ended December 31		+ Increase — Decrease
	1958	1957	
Maintenance of Equipment—(Concluded)			
Brought Forward	$ 5,500,790.92	$ 5,468,604.43	$+ 32,186.49
Other expenses	97,002.84	95,443.77	+ 1,559.07
Joint maintenance of equip't expenses—Dr.	14,130.75	18,600.98	— 4,470.23
Joint maintenance of equip't expenses—Cr.	46,085.29	54,998.64	— 8,913.35
Total expended	5,565,839.22	5,527,650.54	+ 38,188.68
Shop and power plant machinery—Depreciation	35,899.44	36,683.47	— 784.03
Retirements—Equipment	Cr. 28,099.13	Cr. 51,282.20	— 23,183.07
Equipment—Depreciation	2,291,145.21	2,042,093.78	+ 249,051.43
Total Maintenance of Equipment	7,864,784.74	7,555,145.59	+ 309,639.15
Traffic:			
Superintendence	419,294.79	398,658.20	+ 20,636.59
Outside agencies	1,330,129.31	1,334,456.67	— 4,327.36
Advertising	43,602.60	88,663.03	— 45,060.43
Traffic associations	40,819.60	40,130.39	+ 689.21
Industrial and immigration bureaus	99,999.04	111,759.45	— 11,760.41
Insurance	3,750.20	3,976.11	— 225.91
Stationery and printing	79,779.22	69,077.39	+ 10,701.83
Other expenses	12,146.53	11,720.80	+ 425.73
Total Traffic	2,029,521.29	2,058,442.04	— 28,920.75
Transportation—Rail Line:			
Superintendence	509,965.26	508,663.43	+ 1,301.83
Dispatching trains	258,133.43	272,245.53	— 14,112.10
Station employees	2,280,909.29	2,478,488.39	— 197,579.10
Weighing, inspn. and demurrage bureaus	87,149.97	88,659.44	— 1,509.47
Station supplies and expenses	185,285.76	198,600.78	— 13,315.02
Yardmasters and yard clerks	928,385.38	928,386.04	— .66
Yard conductors and brakemen	2,059,787.35	1,955,577.73	+ 104,209.62
Yard switch and signal tenders	84,480.62	77,701.13	+ 6,779.49
Yard enginemen	1,078,900.66	1,056,496.79	+ 22,403.87
Yard switching fuel	166,568.63	186,731.47	— 20,162.84
Lubricants for yard locomotives	30,801.42	28,736.04	+ 2,065.38
Other supplies for yard locomotives	12,344.73	13,550.03	— 1,205.30
Enginehouse expenses—Yard	124,344.99	115,044.37	+ 9,300.62
Yard supplies and expenses	106,815.01	68,372.13	+ 38,442.88
Operating joint yards and terminals—Dr.	1,395,958.54	1,476,703.80	— 80,745.26
Operating joint yards and terminals—Cr.	441,571.09	471,543.90	— 29,972.81
Passenger enginemen	371,715.73	392,521.63	— 20,805.90
Freight enginemen	1,175,316.31	1,103,374.58	+ 71,941.73
Train fuel—Passenger	330,432.96	379,536.53	— 49,103.57
Train fuel—Freight	1,316,040.49	1,438,097.25	— 122,056.76
Lubricants for passenger locomotives	37,292.53	39,606.45	— 2,313.92
Lubricants for freight locomotives	177,899.50	157,130.47	+ 20,769.03
Other supplies for passenger locomotives	14,698.11	18,336.05	— 3,637.94
Other supplies for freight locomotives	70,202.54	72,207.64	— 2,005.10
Enginehouse expenses—Passenger	144,719.00	151,245.83	— 6,526.83
Enginehouse expenses—Freight	396,294.80	374,242.63	+ 22,052.17
Passenger trainmen	414,874.26	472,664.22	— 57,789.96
Freight trainmen	1,577,184.07	1,491,140.53	+ 86,043.54
Train supplies and expenses—Passenger	245,057.12	257,507.74	— 12,450.62
Train supplies and expenses—Freight	755,197.25	667,338.16	+ 87,859.09
Signal and interlocker operation	145,988.60	136,693.40	+ 9,295.20
Crossing protection	47,923.96	63,431.51	— 15,507.55
Carried Forward	$ 16,089,097.18	$ 16,197,487.82	$— 108,390.64

Detail of Railway Operating Expenses
(Concluded)

Accounts	Year Ended December 31		+ Increase — Decrease
	1958	1957	
Transportation-Rail Line—(Concluded)			
Brought Forward	$ 16,089,097.18	$ 16,197,487.82	$— 108,390.64
Communication system operation	106,495.43	115,867.12	— 9,371.69
Stationery and printing	104,035.72	108,206.06	— 4,170.34
Other expenses	126,241.58	126,076.37	+ 165.21
Operating joint tracks and fac.—Dr.	58,438.70	59,754.37	— 1,315.67
Operating joint tracks and fac.—Cr.	36,716.49	34,343.06	+ 2,373.43
Insurance	105,898.07	85,819.88	+ 20,078.19
Clearing wrecks	121,553.00	128,579.23	— 7,026.23
Damage to property	111,321.81	47,257.68	+ 64,064.13
Damage to live stock on right-of-way	7,726.07	6,685.90	+ 1,040.17
Loss and damage—Freight	434,668.90	364,132.93	+ 70,535.97
Loss and damage—Baggage	112.29	137.58	— 25.29
Injuries to persons	300,000.00	300,000.00	
Operating Sleeping Cars	89,258.65	150,881.90	— 61,623.25
Total Transportation—Rail Line	17,618,130.91	17,656,543.78	— 38,412.87
Miscellaneous Operations:			
Dining and Buffet Service	232,309.51	238,983.12	— 6,673.61
Operating joint misc. fac.—Dr.			
Total Miscellaneous Operations	232,309.51	238,983.12	— 6,673.61
General:			
Salaries and expenses of general officers	247,897.25	268,258.43	— 20,361.18
Salaries and exps. of clerks and attendants	1,152,399.86	1,116,263.99	+ 36,135.87
General office supplies and expenses	92,148.93	102,318.80	— 10,169.87
Law expenses	176,722.72	167,261.76	+ 9,460.96
Insurance	488.36	551.31	— 62.95
Pensions and group insurance	131,589.81	93,914.86	+ 37,674.95
Stationery and printing	57,976.78	76,087.04	— 18,110.26
Other expenses	149,804.64	140,460.23	+ 9,344.41
General joint facilities—Dr.	13,497.41	14,084.26	— 586.85
General joint facilities—Cr.	255.44	272.59	— 17.15
Total General	2,022,270.32	1,978,928.09	+ 43,342.23
Recapitulation			
Maintenance of way and structures	6,697,873.33	6,590,086.94	+ 107,786.39
Maintenance of equipment	7,864,784.74	7,555,145.59	+ 309,639.15
Traffic	2,029,521.29	2,058,442.04	— 28,920.75
Transportation—rail line	17,618,130.91	17,656,543.78	— 38,412.87
Miscellaneous operations	232,309.51	238,983.12	— 6,673.61
General	2,022,270.32	1,978,928.09	+ 43,342.23
Total Railway Operating Expenses	$ 36,464,890.10	$ 36,078,129.56	$+ 386,760.54

Investment Securities Owned—Par Value

Kind	Pledged	Unpledged	Total	Dividends and Interest Accrued Year Ended Dec. 31, 1958
Stocks:				
Albany Passenger Terminal Company (Note 1)	$ 54,700.00	$	$ 54,700.00	$
Atlanta Athletic Club (Note 4)		200.00	200.00	
Atlanta Terminal Company (Note 1)	50,000.00		50,000.00	2,000.00
Augusta Cotton Exchange and Board of Trade		100.00	100.00	
Augusta & Summerville Railroad Co. (Note 1)	50,000.00		50,000.00	
Birmingham Terminal Company (Note 1)	25,000.00		25,000.00	20.00
Central of Georgia Motor Transport Company		266,000.00	266,000.00	
Chatham Terminal Company (Note 1)	25,000.00		25,000.00	
Cleveland Athletic Association Company		60.00	60.00	
Empire Land Company		300,000.00	300,000.00	
Fruit Growers Express Company		256,700.00	256,700.00	
Louisville & Wadley Railroad Company—Common		38,200.00	38,200.00	
Louisville & Wadley Railroad Company—Preferred		29,000.00	29,000.00	
Macon Terminal Company (Note 1)	33,300.00		33,300.00	
Ocean Steamship Company of Savannah (Note 1)	1,999,300.00		1,999,300.00	
Pullman Company		31,890.00	31,890.00	4,464.60
Railway Express Agency, Incorporated (Note 2)		600.00	600.00	
The South Western Railroad Company (Note 5)	3,912,666.67	1,137,033.33	5,049,700.00	
Wadley Southern Railway Company		8,600.00	8,600.00	
Wrightsville & Tennille Railroad Co.—Common		278,325.00	278,325.00	
Wrightsville & Tennille Railroad Co.—Preferred		70,000.00	70,000.00	
Miscellaneous		50.00	50.00	
Total Stocks	$ 6,149,966.67	$ 2,416,758.33	$ 8,566,725.00	$ 6,484.60
Bonds:				
Albany Passenger Terminal Company	$	$ 12,000.00	$ 12,000.00	$ 600.00
U. S. Treasury Bonds		1,500.00	1,500.00	37.50
Georgia Ports Authority Central Waterfront Terminal Revenue Bonds Series 1958		1,290,000.00	1,290,000.00	6,450.00
Total Bonds	$	$ 1,303,500.00	$ 1,303,500.00	$ 7,087.50
Notes:				
Augusta and Summerville Railroad Company	$	$ 15,086.25	$ 15,086.25	$
Empire Land Company (Note 3)	2,881,540.33		2,881,540.33	
Deppish Kirkland, Jr.		4,000.00	4,000.00	374.99
Art Furniture Mfg. Company		891.09	891.09	248.62
Wrightsville and Tennille Railroad Company		224,000.00	224,000.00	
Milledgeville and Baldwin County Development Corp.		10,365.00	10,365.00	
Total Notes	$ 2,881,540.33	$ 254,342.34	$ 3,135,882.67	$ 623.61
Advances:				
Affiliated companies	$	$ 4,431,412.38	$ 4,431,412.38	$ 34,006.56
Others		40.00	40.00	
Total Advances	$	$ 4,431,452.38	$ 4,431,452.38	$ 34,006.56
Grand Total	$ 9,031,507.00	$ 8,406,053.05	$17,437,560.05	$ 48,202.27

The book value of securities listed above is $16,414,335.15 and on the balance sheet is included in the items:

Investments in Affiliated Companies — Stocks	$ 7,707,266.84
Investments in Affiliated Companies — Bonds	11,880.00
Investments in Affiliated Companies — Other secured obligations	2,941,540.33
Investments in Affiliated Companies — Unsecured Notes	15,086.25
Investments in Affiliated Companies — Investment Advances	4,431,412.38
Other investments — Stocks	321.00
Other investments — Bonds	1,291,532.26
Other investments — Unsecured Notes	15,256.09
Other investments — Advances	40.00

Note 1—The First Mortgage has a first lien, the General Mortgage a second lien, on this stock.
Note 2—No par stock, $600.00 represents book value.
Note 3—Security for Miscellaneous Obligations—Note The Citizens and Southern National Bank.
Note 4—No par stock, $200.00 represents book value.
Note 5—Security for advances of Ocean Steamship Co. of Savannah.

Classification of Revenue Freight

Years Ended December 31, 1958 and 1957

Commodity	1958 Number of Tons (2,000 Lbs.)	1958 Per Cent of Total	1957 Number of Tons (2,000 Lbs.)	1957 Per Cent of Total	+ Increase — Decrease	Per Cent
Products of Agriculture:						
Wheat, corn, oats and other grain	89,427	0.53	106,446	0.62	— 17,019	15.99
Flour and meal	260,580	1.53	258,620	1.51	+ 1,960	0.76
Other mill products	62,629	0.37	49,884	0.29	+ 12,745	25.55
Hay, straw and alfalfa	5,060	0.03	2,228	0.01	+ 2,832	127.11
Tobacco	3,993	0.02	3,317	0.02	+ 676	20.38
Cotton	258,558	1.52	271,626	1.59	— 13,068	4.81
Peaches	23,551	0.14	5,808	0.03	+ 17,743	305.49
Oranges, lemons and pineapples	23,737	0.14	46,846	0.27	— 23,109	49.33
Watermelons	7,376	0.04	5,373	0.03	+ 2,003	37.28
Other fruits	34,895	0.20	34,483	0.20	+ 412	1.19
Vegetables, dried fruits and potatoes	106,484	0.63	118,560	0.69	— 12,076	10.19
Cotton seed	825	0.01	1,792	0.01	— 967	53.96
Cotton seed meal and hulls	10,046	0.06	2,919	0.02	+ 7,127	244.16
Other products of agriculture	127,265	0.75	79,075	0.46	+ 48,190	60.94
Peanuts	49,878	0.29	57,370	0.34	— 7,492	13.06
Total	1,064,304	6.26	1,044,347	6.09	+ 19,957	1.91
Animals and Products:						
Live stock	1,784	0.01	1,931	0.01	— 147	7.61
Fresh meats	33,992	0.20	32,383	0.19	+ 1,609	4.97
Other packing house products	62,699	0.37	50,993	0.30	+ 11,706	22.96
Poultry, game and fish	1,311	0.01	259	0.00	+ 1,052	406.18
Wool	3,651	0.02	6,322	0.04	— 2,671	42.25
Hides and leather	2,554	0.01	2,808	0.02	— 254	9.05
Other products of animals	5,270	0.03	6,305	0.03	— 1,035	16.42
Total	111,261	0.65	101,001	0.59	+ 10,260	10.16
Products of Mines:						
Bituminous coal	1,705,336	10.03	1,484,292	8.66	+ 221,044	14.89
Coke	8,212	0.05	9,906	0.06	— 1,694	17.10
Ores	447,697	2.63	792,636	4.62	— 344,939	43.52
Clay, gravel, sand and stone	3,250,721	19.12	2,814,191	16.42	+ 436,530	15.51
Other products of mines	927,345	5.46	893,524	5.21	+ 33,821	3.79
Total	6,339,311	37.29	5,994,549	34.97	+ 344,762	5.75
Products of Forests:						
Lumber	483,844	2.85	593,768	3.46	— 109,924	18.51
Rosin and turpentine	15,227	0.09	18,468	0.11	— 3,241	17.55
Other products of forests	168,920	0.99	242,506	1.41	— 73,586	30.34
Pulpwood	2,253,635	13.26	2,197,630	12.82	+ 56,005	2.55
Total	2,921,626	17.19	3,052,372	17.80	— 130,746	4.28
Manufactures and Miscellaneous:						
Refined petroleum and its products	510,744	3.00	533,782	3.11	— 23,038	4.32
Cotton seed oil	53,770	0.32	55,772	0.33	— 2,002	3.59
Other oils	69,056	0.41	69,100	0.40	— 44	0.06
Sugar, syrup, glucose and molasses	104,813	0.62	101,610	0.59	+ 3,203	3.15
Iron—pig and bloom	36,858	0.22	37,639	0.22	— 781	2.07
Rails and fastenings	2,017	0.01	6,766	0.04	— 4,749	70.19
Other castings and machinery	123,122	0.72	131,070	0.77	— 7,948	6.06
Bar and sheet metal	187,871	1.11	297,720	1.74	— 109,849	36.90
Cement	628,811	3.70	571,035	3.33	+ 57,776	10.12
Brick	190,877	1.12	216,387	1.26	— 25,510	11.79
Lime	24,123	0.14	30,988	0.18	— 6,865	22.15
Agricultural implements, vehicles other than automobiles	30,599	0.18	36,336	0.21	— 5,737	15.79
Automobiles and auto trucks	121,457	0.71	181,251	1.06	— 59,794	32.99
Household goods and furniture	24,749	0.15	27,329	0.16	— 2,580	9.44
Cotton factory products	29,336	0.17	31,379	0.18	— 2,043	6.51
Fertilizer	899,945	5.29	881,329	5.14	+ 18,616	2.11
Fertilizer materials	112,199	0.66	124,559	0.73	— 12,360	9.92
Other manufactures	3,362,144	19.78	3,547,870	20.69	— 185,726	5.23
Total	6,512,491	38.31	6,881,922	40.14	— 369,431	5.37
Grand Total, Carload Traffic	16,948,993	99.70	17,074,191	99.59	— 125,198	0.73
All Less Carload Freight	51,811	0.30	70,768	0.41	— 18,957	26.79
Grand Total, Carload and Less Carload Traffic	17,000,804	100.00	17,144,959	100.00	— 144,155	0.84

Long-Term Debt and Interest

For the Year Ended December 31, 1958

Name and Character of Obligation	Date of Issue	Date of Maturity	Amount of Authorized Issue	Amount Authenticated			Interest Provisions		Amount of Interest Accrued During Year
				Outstanding at Close of Year		In Treasury	Rate	Dates Due	
				With Public	Pledged as Collateral				
Mortgage Bonds:									
First Mortgage Series "A"	Jan. 1, 1948	Jan 1, 1995	$11,853,300.00	$11,080,900.00			4%	Jan.—July	$ 443,462.67
General Mortgage (Income) Series "A"	Jan. 1, 1948	Jan. 1, 2020	1,736,000.00	877,600.00			4½%	May 1 when earned	39,822.00
General Mortgage (Income) Series "B"	Jan. 1, 1948	Jan. 1, 2020	12,542,400.00	12,539,800.00			4½%		564,291.00
Total Mortgage Bonds			$26,131,700.00	$24,498,300.00					$1,047,575.67
Equipment Obligations:									
Equipment Trust Certificates:									
Central of Georgia Equipment Trust—Series "W"	May 1, 1952	May 1, 1967	$ 2,325,000.00	$ 1,395,000.00			3¼%	May—Nov.	$ 47,016.67
Central of Georgia Equipment Trust—Series "X"	Nov. 1, 1952	Nov. 1, 1967	2,775,000.00	1,665,000.00			3⅜%	May—Nov.	61,396.56
Central of Georgia Equipment Trust—Series "Y"	Sept. 1, 1953	Sept. 1, 1968	5,460,000.00	3,640,000.00			3⅝%	Mar.—Sept.	140,745.48
Central of Georgia Equipment Trust—Series "Z"	Aug. 1, 1954	Aug. 1, 1969	2,655,000.00	1,947,000.00			2⅞%	Feb.—Aug.	58,943.95
Central of Georgia Equipment Trust—Series "A"	Mar. 1, 1955	Mar. 1, 1970	930,000.00	744,000.00			3⅛%	Mar.—Sept.	23,572.80
Central of Georgia Equipment Trust—Series "B"	Feb. 1, 1956	Feb. 1, 1971	4,680,000.00	3,900,000.00			3¼%	Feb.—Aug.	* 130,130.00
Central of Georgia Equipment Trust—Series "C"	Nov. 1, 1956	Nov. 1, 1971	840,000.00	728,000.00			4⅝%	May—Nov.	35,180.88
Central of Georgia Equipment Trust—Series "D"	June 1, 1957	June 1, 1972	2,550,000.00	2,295,000.00			5%	June—Dec.	120,062.50
Conditional Sales or Lease Agreements:									
Favor J. P. Morgan & Company, Inc.:									
Combined ten old agreements	April 1, 1951	April 1, 1966	3,151,000.00	1,338,708.31			3½%	Monthly	50,792.30
New Agreement for Equipment	April 1, 1951	April 1, 1966	4,852,560.99	1,914,919.93			3½%	Monthly	73,645.91
Conditional Sales Agreement No. 1	Aug. 1, 1957	Sept. 25, 1972	1,037,500.00	968,333.32			5½%	Mar.—Sept.	55,096.99
Conditional Sales Agreement No. 2	Aug. 1, 1957	Aug. 1, 1972	1,037,500.00	968,333.32			5½%	Feb.—Aug.	54,526.36
Conditional Sales Agreement No. 3	Aug. 1, 1957	Aug. 1, 1972	622,500.00	581,000.00			5½%	Feb.—Aug.	32,715.86
Conditional Sales Agreement No. 4	Aug. 1, 1957	Aug. 1, 1972	3,500,000.00	3,258,166.48			5½%	Feb.—Aug.	183,652.24
Conditional Sales Agreement No. 5	Aug. 1, 1957	Aug. 1, 1972	1,452,500.00	1,355,666.48			5½%	Feb.—Aug.	76,336.94
Total Equipment Obligations			$37,868,560.99	$26,699,127.84					$1,143,815.44
Miscellaneous Obligations:									
Note favor The Citizens and Southern National Bank, Savannah, Ga.	Aug. 22, 1951	July 1, 1961	$ 1,500,000.00	$ ‡237,287.37			4%	Jan.—July	$ 11,640.68
Amounts Payable to Affiliated Companies:									
Open Account—Ocean Steamship Company of Savannah	Oct. 27, 1953 Nov. 17, 1953		$ 2,584,500.00 350,000.00	$ 2,934,500.00			3%	Jan. 1	$ 88,035.00
			$ 2,934,500.00	$ 2,934,500.00					$ 88,035.00
Grand Total			$68,434,760.99	$54,369,215.21					$2,291,066.79

* $88,812.49 charged to operations, $41,317.51 to Savannah and Atlanta Rwy. Co.

‡ $150,000 due in 1959

Analysis of Equipment Trust Obligations and Equipment Purchase Agreements

For the Year Ended December 31, 1958

	Equipment	Original Issue	Paid Prior to January 1, 1958	Paid During Year Ended Dec. 31, 1958	Outstanding Dec. 31, 1958	Maturities
Equipment Trust "W" May 1, 1952 3¼%	6—1200 horsepower SW-9 Diesel Electric Switching locomotives with Multiple Unit Control Nos. 301-306 Inc. 15—Alco-GE 1600 horsepower Diesel Electric Switching locomotives Nos. 133-146, 147 with steam generator	$ 2,325,000.00	$ 775,000.00	$ 155,000.00	$ 1,395,000.00	May 1, 1959 to May 1, 1967
Equipment Trust "X" November 1, 1952 3⅜%	3—1600 horsepower Diesel Electric Road-Switcher locomotives equipped with steam generators Nos. 148-150 Inc. 9—1600 horsepower Diesel Electric Road-Switcher locomotives without steam generators Nos. 151-159 Inc. 12—1200 horsepower Diesel Electric Switching locomotives with M. U. control Nos. 307-318 Inc. 50—70 ton Covered hopper cars Nos. 1375-1424 Inc.	2,775,000.00	925,000.00	185,000.00	1,665,000.00	Nov. 1, 1959 to Nov. 1, 1967
Equipment Trust "Y" September 1, 1953 3⅝%	1013—50 ton PS-1 type box cars Nos. 7300-8299 and 6200-6212 50—70 ton Covered hopper cars Nos. 1425-1474 Inc. 5—125 ton depressed center flat cars 1—Model SD-7, six motor, 1500 horsepower Diesel Electric Freight locomotive No. 201	5,460,000.00	1,456,000.00	364,000.00	3,640,000.00	Sept. 1, 1959 to Sept. 1, 1968
Equipment Trust "Z" August 1, 1954 2⅞%	500—50 ton 50'6" box cars with 9' side doors, Nos. 5500-5999 Inc.	2,655,000.00	531,000.00	177,000.00	1,947,000.00	Aug. 1, 1959 to Aug. 1, 1969
Equipment Trust "A" March 1, 1955 3⅛%	6—Model SD-9, 1750 horsepower, six motor, six axle, Diesel Electric Freight locomotives Nos. 202-207 Inc.	930,000.00	124,000.00	62,000.00	744,000.00	Mar. 1, 1959 to Mar. 1, 1970
Equipment Trust "B" February 1, 1956 3¼%	500—50 ton 50'6" PS-1 type box cars with 9-foot doors Nos. 1500-1999 Inc. 300—50 ton 40'6" PS-1 type box cars with 8-foot doors bearing Savannah & Atlanta Ry. Co. Road Nos. 200-499 Inc. 25—70 ton PS-2 Covered hopper cars Nos. 1475-1499 Inc. 20—70 ton depressed center flat cars with cast steel underframes Nos. 11800-11819 Inc.	4,680,000.00	468,000.00	312,000.00	* 3,900,000.00	Semi-Annually Feb. 1, 1959 to Feb. 1, 1971
Equipment Trust "C" November 1, 1956 4⅝%	6—1750 horsepower Model GP-9 Diesel Electric Road Switching locomotives Nos. 160 to 165 Inc. 5—70 ton 65'6" drop end Gondola cars Nos. 16001 to 16005 Inc.	840,000.00	56,000.00	56,000.00	728,000.00	Semi-Annually Nov. 1, 1959 to Nov. 1, 1971
Equipment Trust "D" June 1, 1957 5%	5—1750 horsepower Model GP-9 Diesel Electric Road Switching locomotives Nos. 166-170 Inc. 50—70 ton, 2893 cubic feet PS-2 Covered hopper cars Nos. 900-949 Inc. 200—70 ton, 2003 cubic feet PS-2 Covered hopper cars Nos. 1000-1199 Inc.	2,550,000.00	85,000.00	170,000.00	2,295,000.00	Semi-Annually June 1, 1959 to June 1, 1972
Equipment Purchase Agreement April 1, 1951. 2⅞% on all installment payments to April 1, 1956 and 3½% thereafter	2—Diesel switching locomotives Nos. 33 and 34 stainless steel Streamline Cars as follows: Coaches—Fort Oglethorpe and Fort McPherson Passenger-Baggage—Fort Mitchell Tavern Observation—Fort Benning 200—Pulpwood cars Nos. 10265 to 10464 Inc. 9—1500 horsepower Diesel Freight locomotives Nos. 901-909 Inc. 2—2000 horsepower Diesel Passenger locomotives Nos. 809-810 Inc. 1—1000 horsepower Diesel Switching locomotive No. 35 7—1500 horsepower Diesel Electric Road Switching locomotives Nos. 101-107 Inc. 2—1000 horsepower Diesel Electric Switching locomotives Nos. 36 and 37 3—1600 horsepower Diesel Electric Road Switching locomotives Nos. 108-110 Inc. 2—2250 horsepower Diesel Passenger locomotives Nos. 811-812 Inc.	3,151,000.00	1,552,291.69	260,000.00	1,338,708.31	Monthly to April 1, 1966
Equipment Purchase Agreement April 1, 1951. 2⅞% on all installment payments to April 1, 1956 and 3½% thereafter	4—1500 horsepower Model GP-7 Diesel Electric Road Switching locomotives with steam generator Nos. 120-123 Inc. 9—1500 horsepower Model GP-7 Diesel Electric Road Switching locomotives Nos. 124-132 Inc. 9—1600 horsepower Alco Diesel Electric Road Switching locomotives Nos. 111-119 Inc. 25—70 ton All Steel Covered hopper cars Nos. 1350-1374 Inc. 200—50 ton All Steel Gondola cars, 195 Nos. 18501-18700 Inc.; 5 Nos. 19501-19505 Inc. 300—50 ton 40'6" All Steel box cars Nos. 7000-7299 Inc.	4,852,560.99	2,510,617.70	427,023.36	1,914,919.93	Monthly to April 1, 1966
Conditional Sale Agreement No. 1 August 1, 1957 5½%	125—70 ton Triple hopper cars Nos. 22001 to 22125 Inc.	1,037,500.00		69,166.68	968,333.32	Semi-Annually March 25, 1959 to Sept. 25, 1972
Conditional Sale Agreement No. 2 August 1, 1957 5½%	125—70 ton Triple hopper cars Nos. 22126 to 22250 Inc.	1,037,500.00		69,166.68	968,333.32	Semi-Annually Feb. 1, 1959 to Aug. 1, 1972
Conditional Sale Agreement No. 3 August 1, 1957 5½%	75—70 ton Triple hopper cars Nos. 22251 to 22325 Inc.	622,500.00		41,500.00	581,000.00	Semi-Annually Feb. 1, 1959 to Aug. 1, 1972
Conditional Sale Agreement No. 4 August 1, 1957 5½%	500—50 ton 40'6" PS-1 box cars Nos. 8300 to 8799 Inc.	3,500,000.00		241,833.52	3,258,166.48	Semi-Annually Feb. 1, 1959 to Aug. 1, 1972
Conditional Sale Agreement No. 5 August 1, 1957 5½%	175—70 ton Triple hopper cars Nos. 22326 to 22500 Inc.	1,452,500.00		96,833.52	1,355,666.48	Semi-Annually Feb. 1, 1959 to Aug. 1, 1972
	TOTAL	$37,868,560.99	$ 8,482,909.39	$ 2,686,523.76	$26,699,127.84	

PAYMENTS MATURING IN YEARS ENDING:

December 31, 1959	$2,599,793	December 31, 1964	$2,403,922	December 31, 1969	$1,287,000
December 31, 1960	2,541,562	December 31, 1965	2,244,478	December 31, 1970	1,110,000
December 31, 1961	2,482,152	December 31, 1966	2,024,237	December 31, 1971	892,000
December 31, 1962	2,462,152	December 31, 1967	1,991,000	December 31, 1972	586,500
December 31, 1963	2,423,332	December 31, 1968	1,651,000	TOTAL	$26,699,128

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* The balance outstanding includes $1,238,288 due from the Savannah and Atlanta Railway Company (payable $49,532 semi-annually), for 300 box cars purchased for them under Equipment Trust "B."

Central of Georgia Railway Company and Subsidiaries

Consolidated Income Account, Dec. 31, 1958 — Dec. 31, 1957
and Income Account of Each Subsidiary Before
Intercorporate Eliminations

Item No.	Item	Consolidated Totals After Intercorporate Eliminations: Year 1958	Consolidated Totals After Intercorporate Eliminations: *Year 1957	Consolidated Totals After Intercorporate Eliminations: + Increase − Decrease	Central of Georgia Ry. Company	Savannah & Atlanta Ry. Company	Ocean Steamship Company of Savannah
	I. OPERATING INCOME						
	A. Railway Operating Income						
1	Operating revenues	$ 47,236,626.56	$ 49,036,975.39	$ — 1,800,348.83	$ 42,557,533.92	$ 3,862,843.88	$
2	Operating expenses	40,144,786.72	39,750,535.14	+ 394,251.58	36,464,890.10	2,960,882.04	
3	Net revenue from operations	7,091,839.84	9,286,440.25	— 2,194,600.41	6,092,643.82	901,961.84	
4	Tax accruals	2,965,839.07	3,436,875.16	— 471,036.09	2,595,069.43	276,121.57	
5	Operating income	4,126,000.77	5,849,565.09	— 1,723,564.32	3,497,574.39	625,840.27	
	B. Rent Income						
6	Hire of freight cars—Credit balance	549,141.74		+ 549,141.74	609,564.60		
7	Rent from locomotives	152,129.86	158,006.07	— 5,876.21	151,977.67	152.19	
8	Rent from passenger train cars	404,633.48	468,330.31	— 63,696.83	404,633.48		
9	Rent from work equipment	11,572.18	9,709.82	+ 1,862.36	11,179.93	392.25	
10	Joint facility rent income	206,005.58	219,652.64	— 13,647.06	205,405.58		
11	Total rent income	1,323,482.84	855,698.84	+ 467,784.00	1,382.761.26	544.44	
	C. Rents Payable						
12	Hire of freight cars—Debit balance	Cr. 8,040.44	269,397.86	— 277,438.30		28,501.19	
13	Rent for locomotives	117,719.65	108,046.53	+ 9,673.12	117,719.65		
14	Rent for passenger train cars	369,921.42	418,133.68	— 48,212.26	369,921.42		
15	Rent for work equipment	2,273.65	1,539.55	+ 734.10	2,273.65		
16	Joint facility rent deductions	385,458.00	387,416.98	— 1,958.98	367,217.67	16,978.02	
17	Total rents payable	867,332.28	1,184,534.60	— 317,202.32	857,132.39	45,479.21	
18	Net rents	456,150.56	Dr. 328,835.76	+ 784,986.32	525,628.87	Dr. 44,934.77	
19	Net Railway Operating Income	4,582.151.33	5,520,729.33	— 938,578.00	4,023,203.26	580,905.50	
	II. OTHER INCOME						
20	Revenue from miscellaneous operations	184,087.34	217,117.38	— 33,030.04			
21	Income from lease of road and equipment	39,493.24	40,199.64	— 706.40	39,493.24		
22	Miscellaneous rent income	150,096.45	137,760.58	+ 12,335.87	114,388.88	4,620.91	64,674.40
23	Income from non-operating property	67,531.87	55,629.84	+ 11,902.03	60,488.91	6,795.47	
24	Dividend income	6,484.60	11,587.00	— 5,102.40	6,484.60		
25	Interest income	73,887.27	192,275.33	— 118,388.06	121,588.42	4,838.86	105,814.58
26	Income from sinking and other reserve funds						
27	Miscellaneous income	264,288.82	326,618.71	— 62,329.89	21,010.08	489.45	69,832.71
28	Total Other Income	785,869.59	981,188.48	— 195,318.89	363,454.13	16,744.69	240,321.69
29	TOTAL INCOME	5,368,020.92	6,501,917.81	— 1,133,896.89	4,386,657.39	597,650.19	240,321.69
	III. MISCELLANEOUS DEDUCTIONS FROM INCOME						
30	Expenses of miscellaneous operations	161,796.87	166,914.22	— 5,117.35			31,203.49
31	Miscellaneous rents	82.98	82.98		52,582.98		
32	Miscellaneous tax accruals	Cr. 65,130.86	226,584.25	— 291,715.11	8,157.00		Cr. 104,141.32
33	Maintenance of investment organization						
34	Miscellaneous income charges	87,781.41	113,026.26	— 25,244.85	44,255.74	1,253.08	201.25
35	Total Miscellaneous Deductions	184,530.40	506,607.71	— 322,077.31	104,995.72	1,253.08	Cr. 72,736.58
36	INCOME AVAILABLE FOR FIXED CHARGES	5,183,490.52	5,995,310.10	— 811,819.58	4,281,661.67	596,397.11	313,058.27
	IV. FIXED CHARGES						
37	Rent for leased road and equipment	6,237.93	5,820.50	+ 417.43	10,419.93	20,000.00	
38	Interest on funded debt						
39	Mortgage bonds	443,025.27	445,284.80	— 2,259.53	443,462.67	16,335.31	
40	Equipment obligations, notes and advances	1,195,113.73	893,451.48	+ 301,662.25	1,202,173.61	75,056.98	
41	Interest on unfunded debt						
42	Amortization of discount on funded debt	19,825.55	28,202.78	— 8,377.23	19,825.55		
43	Total Fixed Charges	1,664,202.48	1,372,759.56	+ 291,442.92	1,675,881.76	111,392.29	
44	INCOME AFTER FIXED CHARGES	3,519,288.04	4,622,550.54	— 1,103,262.50	2,605,779.91	485,004.82	313,058.27
	V. OTHER DEDUCTIONS						
45	Interest on funded debt —Contingent interest	541,284.08	525,711.51	+ 15,572.57	604,113.00		
46	NET INCOME	2,978,003.96	4,096,839.03	— 1,118,835.07	2,001,666.91	485,004.82	313,058.27
47	Income balance transferred to retained income—Unappropriated	2,978,003.96	4,096,839.03	— 1,118,835.07	2,001,666.91	485,004.82	313,058.27
	RETAINED INCOME—UNAPPROPRIATED						
	Credits						
48	Credit balance at beginning of year	24,022,409.14	20,806,883.94	+ 3,215,525.20	15,718,628.12	4,117,457.61	4,665,316.84
49	Credit balance transferred from income	3,005,265.87	4,122,690.34	— 1,117,424.47	2,001,666.91	485,004.82	313,058.27
50	Profit on Company bonds reacquired	26,499.75	13,977.17	+ 12,522.58	26,499.75		
51	TOTAL	27,054,174.76	24,943,551.45	+ 2,110,623.31	17,746,794.78	4,602,462.43	4,978,375.11
	Debits						
52	Dividends	856,285.00	856,291.00	— 6.00	852,085.00	35,435.00	
53	Debit balances transferred from income	27,261.91	25,851.31	+ 1,410.60			
54	Loss on sale or retirement of property	648,159.34		+ 648,159.34	243,816.54		404,342.80
55	Other debits to retained income	3,091.16		+ 3,091.16			
56	Appropriations for Sinking Funds	168,566.50	168,566.50		129,566.50	39,000.00	
57	Appropriations Released	Cr. 129,566.50	Cr. 129,566.50		Cr. 129,566.50		
58	Credit Balance at end of year	25,480,377.35	24,022,409.14	+ 1,457,968.21	16,650,893.24	4,528,027.43	4,574,032.31
59	TOTAL	$ 27,054,174.76	$ 24,943,551.45	$ + 2,110,623.31	$ 17,746,794.78	$ 4,602,462.43	$ 4,978,375.11

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* For purpose of comparison certain 1957 balances have been reclassified to give effect to changes in the Interstate Commerce Commission classification which became effective January 1, 1958.

D—Denotes Deficit.

Central of Georgia Railway Company and Subsidiaries
Consolidated Income Account, Dec. 31, 1958 — Dec. 31, 1957 and Income Account of Each Subsidiary Before Intercorporate Eliminations

Central of Ga. Motor Transport Company	Empire Land Company	Port Wentworth Corporation	Crossgate Homes Incorporated	Midland Properties Company	South Western Railroad Company	Wrightsville and Tennille Railroad Company	Louisville and Wadley Railroad Company	Wadley Southern Railway Company	Item No.
$ 593,309.23	$	$	$	$	$	$ 128,494.95	$ 30,282.05	$ 64,162.53	1
501,029.76						103,960.77	31,765.46	58,839.39	2
92,279.47						24,534.18	D 1,483.41	5,323.14	3
81,740.02					3.05	2,852.07	2,719.17	6,752.96	4
10,539.45					D 3.05	21,682.11	D 4,202.58	D 1,429.82	5
									6
									7
								240.00	8
									9
						600.00			10
						600.00		240.00	11
						15,745.75	2,323.30	5,812.18	12
						12,000.00	4,037.90	7,962.10	13
							240.00		14
									15
						958.31	152.00	152.00	16
						28,704.06	6,753.20	13,926.28	17
						Dr. 28,104.06	Dr. 6,753.20	Dr. 13,686.28	18
10,539.45					D 3.05	D 6,421.95	D 10,955.78	D 15,116.10	19
		155,582.52	18,855.51	9,649.31					20
		20,000.00			4,182.00				21
	15,334.31					3,051.10	91.00	435.85	22
						247.49			23
	7,685.00	27,750.00							24
113.83	13.39	5,444.14		2,563.91	8,254.41	433.10	184.50		25
									26
22.10	133,497.28	38,486.19				14.00	927.01	10.00	27
135.93	156,529.98	247,262.85	18,855.51	12,213.22	12,436.41	3,745.69	1,202.51	445.85	28
10,675.38	156,529.98	247,262.85	18,855.51	12,213.22	12,433.36	D 2,676.26	D 9,753.27	D 14,670.25	29
	2,247.38	116,216.64	10,036.78	2,092.58					30
									31
	28,843.90	Cr. 4,909.76	3,075.38	3,822.30		16.92		4.72	32
									33
1,975.06	55,633.26	536.43				140.49			34
1,975.06	86,724.54	111,843.31	13,112.16	5,914.88		157.41		4.72	35
8,700.32	69,805.44	135,419.54	5,743.35	6,298.34	12,433.36	D 2,833.67	D 9,753.27	D 14,674.97	36
									37
									38
									39
7,739.59	16,517.13		1,027.34			11,200.00		34,460.63	40
							52.20		41
									42
7,739.59	16,517.13		1,027.34			11,200.00	52.20	34,460.63	43
960.73	53,288.31	135,419.54	4,716.01	6,298.34	12,433.36	D 14,033.67	D 9,805.47	D 49,135.60	44
									45
960.73	53,288.31	135,419.54	4,716.01	6,298.34	12,433.36	D 14,033.67	D 9,805.47	D 49,135.60	46
960.73	53,288.31	135,419.54	4,716.01	6,298.34	12,433.36	D 14,033.67	D 9,805.47	D 49,135.60	47
Dr. 8,344.65	202,469.54	443,467.52	29,059.46	75,126.94	545,435.74	Dr. 453,018.14	Dr. 18,781.55	Dr. 2,257,757.86	48
960.73	53,288.31	135,419.54	4,716.01	6,298.34	12,433.36				49
									50
Dr. 7,383.92	255,757.85	578,887.06	33,775.47	81,425.28	557,869.10	Dr. 453,018.14	Dr. 18,781.55	Dr. 2,257,757.86	51
					4,200.00				52
						14,033.67	9,805.47	49,135.60	53
									54
			3,091.16						55
									56
									57
Dr. 7,383.92	255,757.85	578,887.06	30,684.31	81,425.28	553,669.10	Dr. 467,051.81	Dr. 28,587.02	Dr. 2,306,893.46	58
$Dr. 7,383.92	$ 255,757.85	$ 578,887.06	$ 33,775.47	$ 81,425.28	$ 557,869.10	$Dr. 453,018.14	$Dr. 18,781.55	$Dr. 2,257,757.86	59

Central of Georgia Railway Company and Subsidiaries

Consolidated Balance Sheet, Dec. 31, 1958 — Dec. 31, 1957 and Balance Sheet of Each Subsidiary Before Intercorporate Eliminations

ASSETS

Item No.	Assets	Consolidated Totals After Intercorporate Eliminations			Central of Georgia Railway Company	Savannah & Atlanta Railway Company	Ocean Steamship Company of Savannah
		Dec. 31, 1958	Dec. 31, 1957	+ Increase — Decrease			
	Current Assets:						
1	Cash	$ 4,907,246.71	$ 4,753,270.23	$+ 153,976.48	$ 3,953,392.44	$ 565,786.93	$ 68,744.52
2	Temporary cash investments	4,511,602.99	3,954,994.14	+ 556,608.85	3,286,538.25	100,000.00	644,809.59
3	Special deposits	1,211,153.26	1,026,796.33	+ 184,356.93	670,611.29	428,456.03	
4	Loans and notes receivable	4,200.00	8,400.00	— 4,200.00	4,200.00		
5	Traffic and car-service balances—Dr.		3,978.27	— 3,978.27			
6	Net balances receivable from agents and conductors	692,618.04	685,012.90	+ 7,605.14	543,010.17	147,440.19	
7	Miscellaneous accounts receivable	1,512,557.33	1,381,113.81	+ 131,443.52	1,425,839.00	13,388.42	5,126.15
8	Interest and dividends receivable	41,920.18	22,770.23	+ 19,149.95	54,771.49	1,630.57	184,074.25
9	Accrued accounts receivable	1,328,511.78	619,371.25	+ 709,140.53	1,213,695.14	93.33	112,879.31
10	Working fund advances	28,087.50	27,787.50	+ 300.00	26,948.00	785.00	
11	Prepayments	103,275.81	127,453.34	— 24,177.53	70,524.57	17,050.84	59.40
12	Material and supplies	3,198,815.83	3,771,191.62	— 572,375.79	2,791,974.85	380,652.36	
13	Other current assets	40,081.61	36,380.02	+ 3,701.59	39,906.86	142.12	
14	**Total Current Assets**	17,580,071.04	16,418,519.64	+ 1,161,551.40	14,081,412.06	1,655,425.79	1,015,693.22
	Special Funds:						
15	Sinking funds	7.59	1,093.43	— 1,085.84		7.59	
16	Capital and other reserve funds	126,861.19	52,233.41	+ 74,627.78	107,788.27	19,072.92	
17	Insurance and other funds						
18	**Total Special Funds**	126,868.78	53,326.84	+ 73,541.94	107,788.27	19,080.51	
	Investments:						
19	Investments in affiliated companies	1,339,156.07	1,347,445.29	— 8,289.22	15,107,185.80	930,881.58	4,635,937.24
20	Other investments	2,777,071.28	539,167.78	+ 2,237,903.50	1,307,149.35		930,000.00
21	**Total Investments**	4,116,227.35	1,886,613.07	+ 2,229,614.28	16,414,335.15	930,881.58	5,565,937.24
	Properties:						
22	Road and equipment property	172,482,416.63	174,718,560.00	— 2,236,143.37	147,098,091.84	10,662,204.42	
23	Improvements on leased property	448,124.47	463,124.42	— 14,999.95	380,310.73	67,813.74	
24	Acquisition adjustment—Cr.	*13,941,297.46*	*13,981,167.70*	— *39,870.24*	*12,288,207.00*	*1,653,090.46*	
25	Donations and grants—Cr.	*1,029,989.53*	*788,481.21*	+ *241,508.32*	*979,984.76*	*19,761.99*	
26	Total transportation property	157,959,254.11	160,412,035.51	— 2,452,781.40	134,210,210.81	9,057,165.71	
27	Accrued depreciation—Road and Equipment—Cr.	*32,035,243.75*	*29,954,203.81*	+ *2,081,039.94*	*29,171,352.78*	*1,922,146.40*	
28	Accrued amortization of defense projects—Road and Equipment—Cr.	*9,243,055.13*	*9,266,341.28*	— *23,286.15*	*9,243,055.13*		
29	Total transportation property less recorded depreciation and amortization	116,680,955.23	121,191,490.42	— 4,510,535.19	95,795,802.90	7,135,019.31	
30	Miscellaneous physical property	5,846,997.12	7,659,618.46	— 1,812,621.34	1,767,213.52	138,674.86	
31	Accrued depreciation—Miscellaneous physical property—Cr.	*450,164.95*	*537,170.21*	— *87,005.26*	*210,591.66*	*38,018.84*	
32	**Total Properties Less Recorded Depreciation and Amortization**	122,077,787.40	128,313,938.67	— 6,236,151.27	97,352,424.76	7,235,675.33	
	Other Assets and Deferred Charges:						
33	Other assets	196,643.85	176,539.17	+ 20,104.68	191,025.00	5,172.95	445.90
34	Unamortized discount on long-term debt	153,026.40	172,961.59	— 19,935.19	153,026.40		
35	Other deferred charges	650,861.56	574,207.45	+ 76,654.11	551,858.84	61,824.87	1,021.10
36	**Total Other Assets and Deferred Charges**	1,000,531.81	923,708.21	+ 76,823.60	895,910.24	66,997.82	1,467.00
37	**Grand Total Assets**	$ 144,901,486.38	$ 147,596,106.43	$— 2,694,620.05	$ 128,851,870.48	$ 9,908,061.03	$ 6,583,097.46

Italics Denote Credits

Central of Georgia Railway Company and Subsidiaries

Consolidated Balance Sheet, Dec. 31, 1958 — Dec. 31, 1957 and Balance Sheet of Each Subsidiary Before Intercorporate Eliminations

ASSETS

Central of Georgia Motor Transport Company	Empire Land Company	Port Wentworth Corporation	Crossgate Homes Incorporated	Midland Properties Company	South Western Railroad Company	Wrightsville & Tennille Railroad Company	Louisville & Wadley Railroad Company	Wadley Southern Railway Company	Item No.
$ 68,280.20	$ 68,675.79	$ 33,924.16	$ 32,966.45	$ 8,241.39	$ 40,774.79	$ 42,495.18	$ 6,234.12	$ 17,730.74	1
		99,330.00		99,968.75	280,956.40				2
68,071.66		44,014.28							3
									4
									5
						1,226.56	12.78	928.34	6
45,724.05	154.42	9,585.30	211.31	215.00	4,565.33	5,453.32	856.93	2,280.15	7
		456.51		1,041.83	670.29		184.50		8
						1,122.00	22.00	700.00	9
		300.00				35.00	7.50	12.00	10
8,391.81		3,690.22	1,195.88			1,521.64	340.49	500.96	11
7,465.71		2,947.13				9,932.78	1,444.29	4,398.71	12
						32.63			13
197,933.43	68,830.21	194,247.60	34,373.64	109,466.97	326,966.81	61,819.11	9,102.61	26,550.90	14
									15
									16
									17
									18
	3,421,944.20	342,766.27					1,907.73		19
		494,127.50			45,794.43		2,004.00		20
	3,421,944.20	836,893.77			45,794.43		3,911.73		21
592,509.28					13,285,100.01	401,186.13	90,149.81	353,175.14	22
									23
									24
					10,785.71	*9,452.91*	*2,295.15*	*7,709.01*	25
592,509.28					13,274,314.30	391,733.22	87,854.66	345,466.13	26
346,857.01					*528,176.39*	*39,311.90*	*13,755.91*	*13,643.36*	27
									28
245,652.27					12,746,137.91	352,421.32	74,098.75	331,822.77	29
	2,594,186.81	311,327.85	125,890.55	902,839.89		5,986.30		877.34	30
		147,134.80	*54,419.65*						31
245,652.27	2,594,186.81	164,193.05	71,470.90	902,839.89	12,746,137.91	358,407.62	74,098.75	332,700.11	32
									33
									34
24.94	2,853.30	32,070.29			113,246.67	771.10	35.57	401.55	35
24.94	2,853.30	32,070.29			113,246.67	771.10	35.57	401.55	36
$ 443,610.64	$ 6,087,814.52	$ 1,227,404.71	$ 105,844.54	$ 1,012,306.86	$ 13,232,145.82	$ 420,997.83	$ 87,148.66	$ 359,652.56	37

Central of Georgia Railway Company and Subsidiaries

Consolidated Balance Sheet, Dec. 31, 1958 — Dec. 31, 1957
and Balance Sheet of Each Subsidiary Before
Intercorporate Eliminations

LIABILITIES AND SHAREHOLDERS' EQUITY

Item No.	Liabilities and Shareholders' Equity	Consolidated Totals After Intercorporate Eliminations			Central of Georgia Railway Company	Savannah & Atlanta Railway Company	Ocean Steamship Company of Savannah
		Dec. 31, 1958	*Dec. 31, 1957	+ Increase — Decrease			
	Current Liabilities:						
38	Traffic and car-service balances—Cr.	$ 1,255,656.18	$ 1,209,111.69	$+ 46,544.49	$ 661,941.48	$ 563,300.03	$
39	Audited accounts and wages payable	1,596,957.10	2,323,539.16	— 726,582.06	1,375,124.82	172,033.42	9,065.15
40	Miscellaneous accounts payable	576,505.85	656,331.77	— 79,825.92	541,832.53	17,259.22	
41	Interest matured unpaid	269,932.38	280,161.49	— 10,229.11	363,909.66		
42	Dividends matured unpaid	11,994.00	10,692.00	+ 1,302.00	8,880.00		
43	Unmatured interest accrued	844,449.46	773,897.04	+ 70,552.42	919,211.49	23,712.92	
44	Accrued accounts payable	2,100,002.89	1,885,779.57	+ 214,223.32	2,022,217.74	74,016.40	
45	Federal income taxes accrued	88,066.36	269,655.57	— 181,589.21		52,108.59	
46	Other taxes accrued	202,896.64	186,642.52	+ 16,254.12	191,780.17	3,927.92	
47	Other current liabilities	505,675.35	478,397.41	+ 27,277.94	453,818.70	51,651.29	
48	**Total Current Liabilities**	7,452,136.21	8,074,208.22	— 622,072.01	6,538,716.59	958,009.79	9,065.15
	Long-Term Debt Due Within One Year:						
49	Equipment obligations and other debt	3,045,380.10	3,199,522.08	— 154,141.98	2,879,359.42	263,063.00	
	Long-Term Debt (Due After One Year):						
50	Funded debt unmatured	22,823,775.72	23,189,025.30	— 365,249.58	24,456,020.87	453,000.00	
51	Equipment obligations	24,690,014.12	27,462,307.08	— 2,772,292.96	24,099,334.92	590,679.20	
52	Debt in default						
53	Amounts payable to affiliated companies				2,934,500.00	1,139,224.50	
54	**Total Long-Term Debt**	47,513,789.84	50,651,332.38	— 3,137,542.54	51,489,855.79	2,182,903.70	
	Reserves:						
55	Casualty and other reserves		175,490.83	— 175,490.83			
56	**Total Reserves**		175,490.83	— 175,490.83			
	Other Liabilities and Deferred Credits:						
57	Other liabilities	89,663.16	74,533.87	+ 15,129.29	85,943.16		
58	Unamortized premium on long-term debt						
59	Other deferred credits	224,607.97	340,039.15	— 115,431.18	194,914.50	409.62	
60	Accrued depreciation-Leased property	21,835.28	55,528.54	— 33,693.26	117,121.28	17,960.67	
61	**Total Other Liabilities and Deferred Credits**	336,106.41	470,101.56	— 133,995.15	397,978.94	18,370.29	
	Shareholders' Equity:						
62	Capital stock—Common	33,723,800.00	33,723,800.00		33,723,800.00	604,000.00	1,999,300.00
63	Preferred	17,041,700.00	17,041,700.00		17,041,700.00	708,700.00	
64	Total	50,765,500.00	50,765,500.00		50,765,500.00	1,312,700.00	1,999,300.00
65	Equity of minority interest in subsidiary companies' capital stock	405,375.00	405,725.00	— 350.00			700.00
66	Total capital stock	51,170,875.00	51,171,225.00	— 350.00	50,765,500.00	1,312,700.00	2,000,000.00
	Capital Surplus:						
67	Paid-in surplus	175,986.82	176,226.82	— 240.00		175,986.82	
68	Other capital surplus	370,323.28	387,661.02	— 17,337.74			
69	Total capital surplus	546,310.10	563,887.84	— 17,577.74		175,986.82	
	Retained Income:						
70	Retained income—Appropriated	645,546.01	606,546.01	+ 39,000.00	129,566.50	469,000.00	
71	Retained income—Unappropriated	25,480,377.35	24,022,409.14	+ 1,457,968.21	16,650,893.24	4,528,027.43	4,574,032.31
72	Retained income—Unappropriated Writeup of invested capital	7,486,031.67	7,486,031.67				
73	Total retained income	33,611,955.03	32,114,986.82	+ 1,496,968.21	16,780,459.74	4,997,027.43	4,574,032.31
74	**Total Shareholders' Equity**	85,329,140.13	83,850,099.66	+ 1,479,040.47	67,545,959.74	6,485,714.25	6,574,032.31
75	Excess of inter-company stock, surplus and liabilities over investments eliminated	1,224,933.69	1,175,351.70	+ 49,581.99			
76	**Grand Total Liabilities and Shareholders' Equity**	$ 144,901,486.38	$ 147,596,106.43	$— 2,694,620.05	$ 128,851,870.48	$ 9,908,061.03	$ 6,583,097.46

Italics Denote Debits

* For purpose of comparison certain 1957 balances have been reclassified to give effect to changes in the Interstate Commerce Commission classification which became effective January 1, 1958.

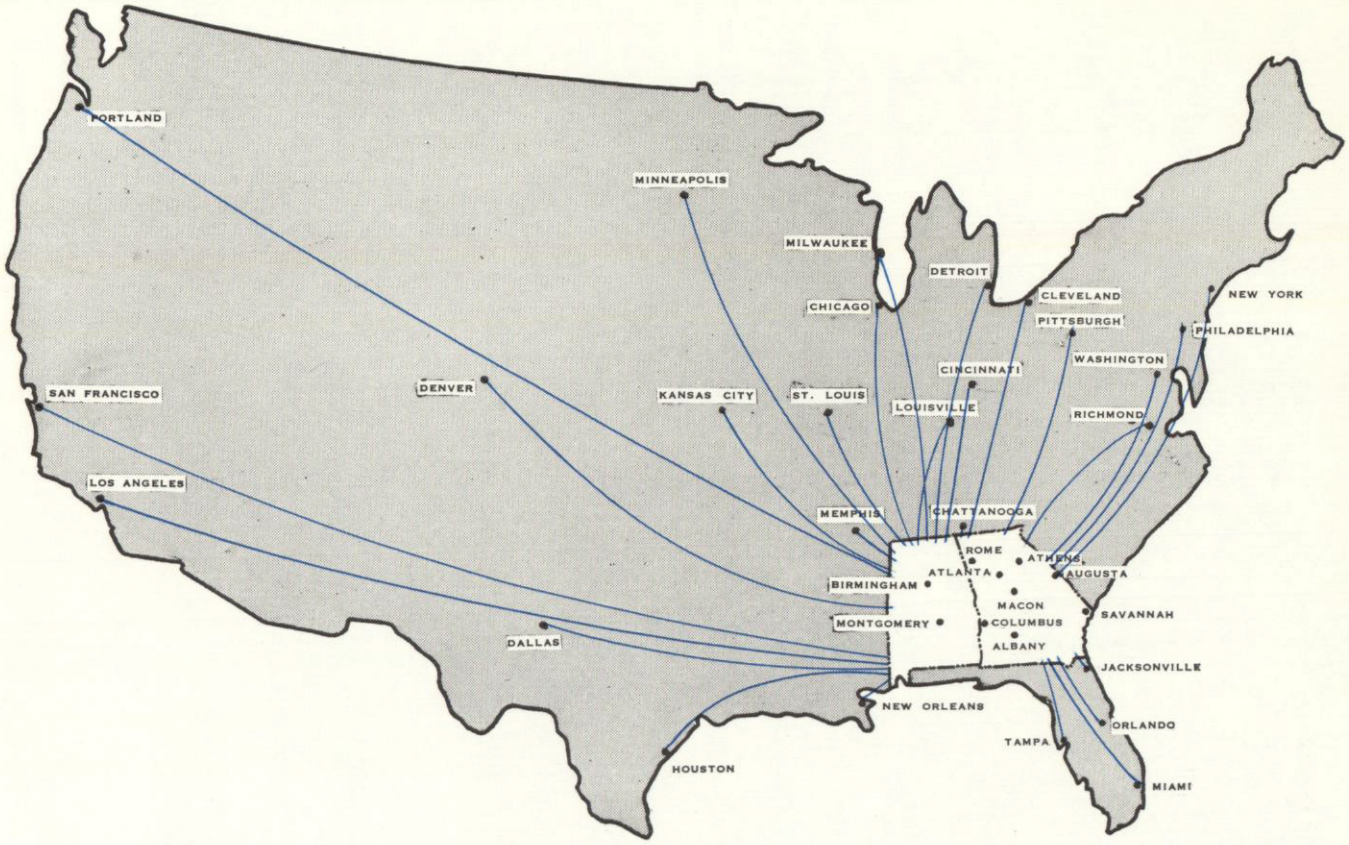
Central of Georgia Railway Company and Subsidiaries

Consolidated Balance Sheet, Dec. 31, 1958 — Dec. 31, 1957
and Balance Sheet of Each Subsidiary Before Intercorporate Eliminations

LIABILITIES AND SHAREHOLDERS' EQUITY

Central of Georgia Motor Transport Company	Empire Land Company	Port Wentworth Corporation	Crossgate Homes Incorporated	Midland Properties Company	South Western Railroad Company	Wrightsville & Tennille Railroad Company	Louisville & Wadley Railroad Company	Wadley Southern Railway Company	Item No.
$	$	$	$	$	$	$ 19,255.66	$ 7,378.79	$ 3,780.22	38
21,912.14	3,538.77					5,875.57	6,297.75	3,492.81	39
4,168.09		10,398.05	1,217.51		398.55	1,161.46	61.21	467.95	40
1,931.31	2,343.72					11,200.00	1,004.85		41
					946.50	37.50	3,000.00		42
									43
151.00						2,150.00	145.75	1,322.00	44
		34,054.87	1,902.90						45
2,327.70		3,376.60	264.29			845.70	37.84	336.42	46
						172.97	11.48	20.91	47
30,490.24	5,882.49	47,829.52	3,384.70		1,345.05	40,698.86	17,937.67	9,420.31	48
			2,020.68						49
	125,000.00		19,754.85						50
									51
									52
154,504.32	5,379,630.18	212,625.00		738,694.08		224,000.00		1,248,174.99	53
154,504.32	5,504,630.18	212,625.00	19,754.85	738,694.08		224,000.00		1,248,174.99	54
									55
									56
								3,720.00	57
									58
	21,544.00	7,739.85							59
									60
	21,544.00	7,739.85						3,720.00	61
266,000.00	300,000.00	10,000.00	50,000.00	1,000.00	5,051,700.00	278,325.00	38,200.00	8,600.00	62
						70,000.00	29,000.00		63
266,000.00	300,000.00	10,000.00	50,000.00	1,000.00	5,051,700.00	348,325.00	67,200.00	8,600.00	64
					139,400.00	251,675.00	12,200.00	1,400.00	65
266,000.00	300,000.00	10,000.00	50,000.00	1,000.00	5,191,100.00	600,000.00	79,400.00	10,000.00	66
				191,187.50				1,390.000.00	67
		370,323.28							68
		370,323.28		191,187.50				1,390.000.00	69
						23,350.78	18,398.01	5,230.72	70
7,383.92	255,757.85	578,887.06	30,684.31	81,425.28	553,669.10	*467,051.81*	*28,587.02*	*2,306,893.46*	71
					7,486,031.67				72
7,383.92	255,757.85	578,887.06	30,684.31	81,425.28	8,039,700.77	*443,701.03*	*10,189.01*	*2,301,662.74*	73
258,616.08	555,757.85	959,210.34	80,684.31	273,612.78	13,230,800.77	156,298.97	69,210.99	*901,662.74*	74
									75
$ 443,610.64	$ 6,087,814.52	$ 1,227,404.71	$ 105,844.54	$ 1,012,306.86	$ 13,232,145.82	$ 420,997.83	$ 87,148.66	$ 359,652.56	76

Italics Denote Debits



Locations of Freight and Passenger Service Representatives

Call, phone or write our nearest Representative for information. He will gladly assist you in every way possible with your shipping and travel problems.

ALBANY—
500 N. Washington St.,
Telephone HEmlock 2-1636
Division Freight Agent

ATHENS—
105 Mitchell St.,
Telephone LIberty 6-8376
District Freight Agent

ATLANTA—
Terminal Station
Telephone JAckson 2-8181
Division Passenger Agent
181 Alabama St., S. W., Telephone PLaza 8-7551
Asst. Freight Traffic Manager

AUGUSTA—
Campbell Building, 102 8th St., Telephone PArk 4-4343
Division Freight Agent

BIRMINGHAM—
Empire Bldg., 104 North 20th St.,
Telephone ALpine 1-6231
District Passenger Agent
601-606 Brown-Marx Bldg., First Avenue and
20th St., Telephone FAirfax 4-5661
Asst. Freight Traffic Manager

BOSTON—
11 Carver Road,
Framingham, Mass.,
Telephone TRinity 5-6895.
Commercial Agent

CHATTANOOGA—
1478 Market St., Telephone AMherst 5-3123
Division Freight Agent

CHICAGO—
658 Marquette Bldg., 140 So. Dearborn St.,
Telephone DEarborn 2-5566
Western Traffic Manager

CINCINNATI—
712 Dixie Terminal Bldg., 49 East 4th St.,
Telephone MAin 1-0636
General Agent

CLEVELAND—
507 Terminal Tower Bldg., 50 Public Square,
Telephone TOwer 1-2395
General Agent

COLUMBUS—
Union Passenger Station, 12th St. and 6th Ave.,
Telephones FAirfax 3-3462, 3-5658
Passenger Traffic Representative
12th St. and 7th Ave., Telephone FAirfax 2-0645
Division Freight Agent

DALLAS—
1415 Tower Petroleum Bldg.,
1907 Elm St., Telephone RIverside 7-0590
General Agent

DENVER—
314 Denham Bldg., 635 18th Street
Telephone MAin 3-2345
General Agent

DETROIT—
1122 Book Building, 1249 Washington Blvd.,
Telephone WOodward 2-3515
Central Western Agent

HOUSTON—
4624 Maple St., Bellaire, 101 Tex.,
Telephone MOhawk 7-0032
Commercial Agent

JACKSONVILLE—
1014 Florida Title Bldg., 110 W. Forsyth St.,
Telephone ELgin 3-3177
Florida Freight Traffic Manager

KANSAS CITY—
810 Fairfax Bldg., 101 West 11th Street,
Telephone VIctor 2-3937
General Agent

LOS ANGELES—
1212 W. I. Hollingsworth Bldg., 606 S. Hill St.,
Telephone MAdison 2-6936
Commercial Agent

LOUISVILLE—
645 Starks Bldg., 455 So. 4th St.,
Telephone JUniper 3-5701
General Agent

MACON—
101 Terminal Station, Telephone SHerwood 5-6531
Division Passenger Agent
109 Terminal Station, Telephone SHerwood 5-6531
Asst. Freight Traffic Manager

MEMPHIS—
819 Sterick Bldg., 3rd Street
and Madison Avenue
Telephone JAckson 6-8033
General Agent

MIAMI—
710 Ingraham Bldg., 25 S. E. 2nd Avenue,
Telephone FRanklin 1-5519
Florida Freight Agent

MILWAUKEE—
1420 Majestic Bldg., 231 W. Wisconsin Ave.
Telephone BRoadway 2-4165
General Agent

MINNEAPOLIS—
1135 Rand Tower, 527 Marquette Ave.,
Telephone FEderal 8-1775
General Agent

MONTGOMERY—
609-11 First National Bank Bldg.,
8 Commerce St., Telephone AMherst 5-6726
Division Freight Agent

NASHVILLE—
211 Ridgefield Court, Telephone CYpress 2-9592
Commercial Agent

NEW ORLEANS—
1832 National Bank of Commerce Bldg.,
210 Baronne St., Telephone JAckson 5-2974
Gulf Coast Agent

NEW YORK—
1580 Woolworth Building, 233 Broadway,
Telephone WOrth 2-5252
Eastern Traffic Manager
Gen. Frgn. Frt. Agent

ORLANDO—
714 Florida National Bank Bldg., No. 1 North
Orange Avenue
Telephone GArden 2-6557
Florida Freight Agent

PHILADELPHIA—
1509 Finance Bldg., 1428 South Penn Square,
Telephone LOcust 7-6016
General Agent

PITTSBURGH—
1338 Oliver Bldg., Mellon Square,
Telephone ATlantic 1-2055
General Agent

PORTLAND—
535 Terminal Sales Bldg., 1220 S. W. Morrison St.,
Telephone CApitol 3-0996
Commercial Agent

RICHMOND—
1210 State Planters Bank Bldg., Main and Ninth Street,
Telephone MIlton 4-2714
General Agent

ROME—
17 E. 2nd Ave., Telephone 2-4978
District Freight Agent

ST. LOUIS—
852-53 Cotton Belt Bldg., 408 Pine Street,
Telephone CHestnut 1-7868
Western Traffic Agent

SAN FRANCISCO—
347 Monadnock Bldg., 681 Market Street,
Telephone DOuglas 2-7124
Pacific Coast Agent

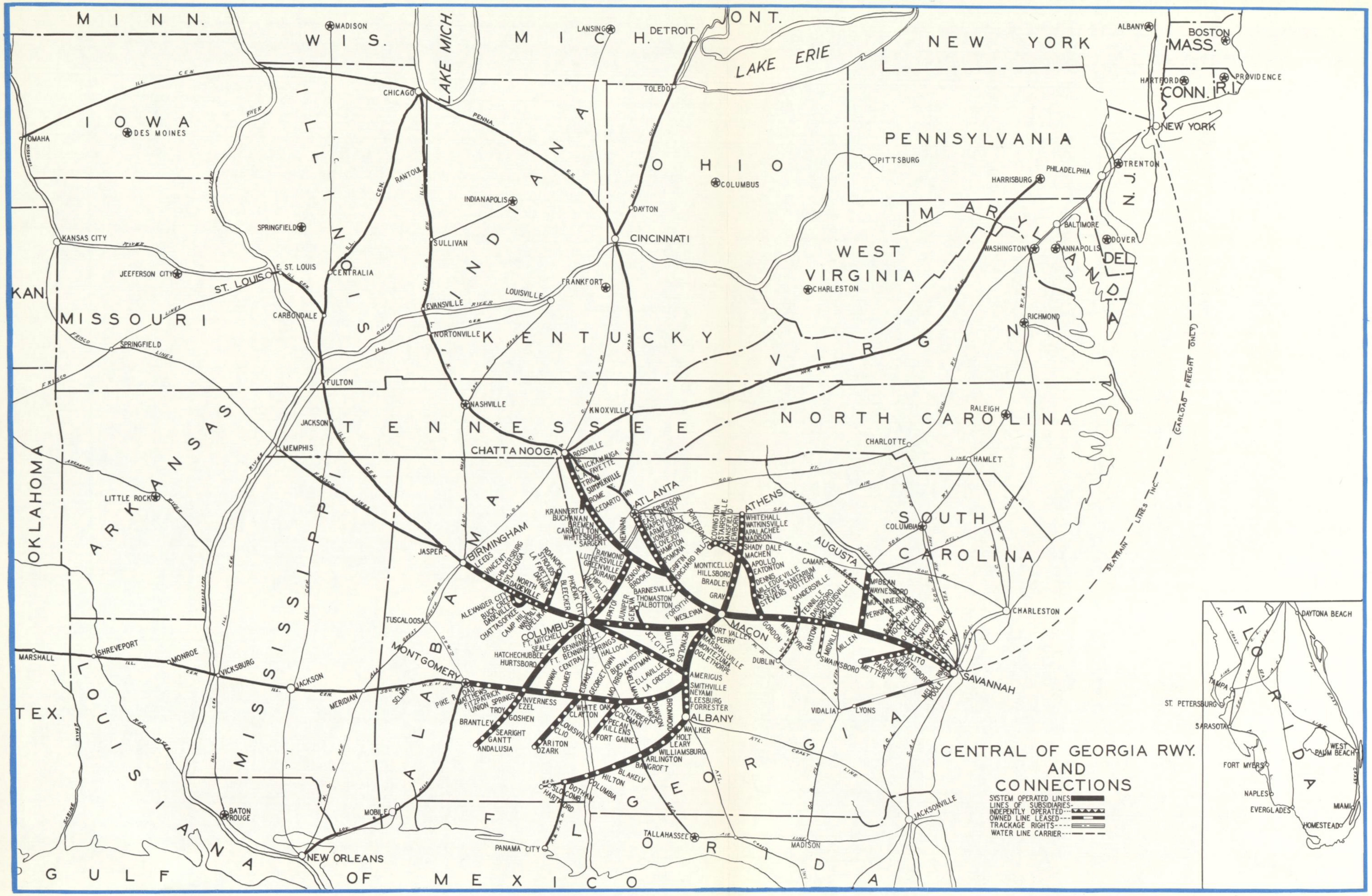
SAVANNAH—
301 West Broad St., Telephone ADams 2-5517
Passenger Traffic Representative
233 West Broad St., Telephone ADams 2-6159
Assistant Freight Traffic Manager

TAMPA—
504 First National Bank Bldg., 215 Madison St.,
Telephone 2-2187
General Agent

WASHINGTON—
227 Shoreham Bldg., 15th and H Sts., N. W.,
Telephone EXecutive 3-8202
General Agent

Central of Georgia Railway Company

Savannah, Georgia



CENTRAL OF GEORGIA RWY.
AND
CONNECTIONS

SYSTEM OPERATED LINES
LINES OF SUBSIDIARIES-
INDEPENTLY OPERATED---
OWNED LINE LEASED---
TRACKAGE RIGHTS----
WATER LINE CARRIER---
MINN.
WIS.
MICH.
ONT.
LAKE MICH.
LAKE ERIE
NEW YORK
MASS.
CONN.
R.I.
IOWA
ILLINOIS
INDIANA
OHIO
PENNSYLVANIA
N.J.
MARYLAND
DEL.
WEST VIRGINIA
VIRGINIA
KAN.
MISSOURI
KENTUCKY
TENNESSEE
NORTH CAROLINA
SOUTH CAROLINA
OKLAHOMA
ARKANSAS
MISSISSIPPI
ALABAMA
GEORGIA
TEX.
LOUISIANA
FLORIDA
GULF OF MEXICO
MADISON
LANSING
DETROIT
ALBANY
BOSTON
HARTFORD
PROVIDENCE
CHICAGO
TOLEDO
OMAHA
DES MOINES
NEW YORK
PITTSBURG
COLUMBUS
TRENTON
PHILADELPHIA
HARRISBURG
RANTOUL
INDIANAPOLIS
DAYTON
BALTIMORE
DOVER
ANNAPOLIS
WASHINGTON
KANSAS CITY
SPRINGFIELD
SULLIVAN
CINCINNATI
JEEFERSON CITY
E. ST. LOUIS
ST. LOUIS
CENTRALIA
FRANKFORT
LOUISVILLE
CHARLESTON
EVANSVILLE
CARBONDALE
NORTONVILLE
RICHMOND
SPRINGFIELD
FULTON
NASHVILLE
KNOXVILLE
RALEIGH
JACKSON
MEMPHIS
CHATTANOOGA
CHARLOTTE
HAMLET
LITTLE ROCK
ATLANTA
ATHENS
COLUMBIA
JASPER
BIRMINGHAM
AUGUSTA
TUSCALOOSA
COLUMBUS
MACON
CHARLESTON
SAVANNAH
MARSHALL
SHREVEPORT
MONROE
VICKSBURG
JACKSON
MONTGOMERY
MERIDIAN
SELMA
AMERICUS
ALBANY
DUBLIN
VIDALIA
LYONS
DOTHAN
TALLAHASSEE
MADISON
JACKSONVILLE
BATON ROUGE
MOBILE
NEW ORLEANS
PANAMA CITY
ANDALUSIA
OZARK
FORT GAINES
HARTFORD
SLOCOMB
MILLEN
METTER
SWAINSBORO
WAYNESBORO
GRIFFIN
BARNESVILLE
THOMASTON
CARROLLTON
CEDARTOWN
ROME
SUMMERVILLE
FORT VALLEY
PERRY
SANDERSVILLE
MILLEDGEVILLE
EATONTON
MADISON
COVINGTON
OPELIKA
UNION SPRINGS
EUFAULA
CUTHBERT
DAWSON
SMITHVILLE
BLAKELY
ARLINGTON
LEARY
CLAYTON
TROY
CARLOAD FREIGHT ONLY
SEATRAIN LINES INC.
ST. PETERSBURG
TAMPA
SARASOTA
FORT MYERS
NAPLES
EVERGLADES
HOMESTEAD
MIAMI
WEST PALM BEACH
DAYTONA BEACH

CENTRAL
OF
GEORGIA